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write practically every form of insurance except life

"NORTH AMERICA SERVICE" MEANS 'CROSS-THE-BOARD SERVICE' • Founded 1792

War Cover Engrossing Task Throughout U. S.

Many Advertisements Appear, Meetings Held, Shortage of Supplies

SAN FRANCISCO—War damage insurance overwhelmed San Francisco's insurance district during the week of June 22-26 and the confusion was aggravated because of the lack of sufficient application forms—hundreds of brokers and agents being without because the supply to the Standard Forms Bureau, received June 20, amounted to only 440,000 whereas nearly a million are required.

The situation was relieved somewhat June 26 when John H. Martin, manager of the bureau, was informed that binders could be used to help break the bottleneck.

Martin's supply was exhausted by June 23 and no more blanks were received resulting in a telephonic conference with the War Damage Corporation which gave him authority to print additional forms in San Francisco. This permitted the staff to resume the sending out of forms June 26, working all that day and June 27.

According to Commissioner Caminetti, there are some California legal questions regarding war damage insurance. Apparently there is some conflict with California law, for he has asked Attorney-general Warren a series of questions and requests a ruling. He has informed the companies, however, that whatever the ruling shall be no action will be taken that will have a retroactive effect on transactions already completed.

FORUM IN MILWAUKEE

MILWAUKEE — More than 100 local agents attended a special meeting of the Milwaukee Board for a round-table discussion of war damage insurance. President Ralph Martin was in charge of the meeting, and L. C. Hilgemann headed the panel answering questions. The Milwaukee Board sponsored two large advertisements in newspapers announcing war damage insurance was now available and that its members were ready to service the public. Individual and group "ads" of members also appeared.

ACTIVITY IN BOSTON

BOSTON—The Boston Board advertised extensively in all leading Boston dailies the past week urging the public to apply to their local agents for war damage insurance.

In the meantime the New England Insurance Exchange, which serves all New England except New Hampshire and Providence, early found its supply of application blanks exhausted.

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Michigan Field Men Gather at Onkama

Officers Elected by Fire Underwriters, Prevention- ists and Blue Goose

W. R. Ewald, special agent Detroit F. & M., was advanced from vice-president to president of the Michigan Fire Underwriters Association at the annual summer outing of Michigan fieldmen held at Portage Point Inn, Onkama. The Blue Goose and Michigan Fire Prevention Association also held gatherings there.

The two-day outing opened with the annual meeting of the underwriters with President G. H. Haage, Norwich Union, presiding. Tribute was paid to members in service, H. J. Bleser, Hartford; R. W. Douglass and R. L. Jennings, American; H. A. Housemann, Hanover; A. E. Huber, F. W. Koepnick and Don V. Wood, North America; E. M. Peterson, Royal-Liverpool, and C. H. Sachs, National.

J. F. Bohrer, state agent Camden Fire, was named vice-president. He was secretary two years ago, stepping out of succession last year to head Michigan Blue Goose. G. L. Stone, state agent National Liberty, was reelected secretary-treasurer.

Company Officials Attend

J. F. Rogers, state agent North America, on behalf of the association, presented a gavel with silver engraved band and a war bond to retiring President Haage. Guests included J. J. Hubbell, Chicago, secretary Security, and W. T. Benallack, Detroit, secretary Michigan F. & M. New members admitted were D. A. Floreen, marine special agent Home; H. J. Howell, special agent Emmco; L. H. Stoehr, special agent Aetna Fire, and W. C. Yeomans, special agent American.

The Michigan Fire Prevention Association reelected all officers, with F. H. Pierson, American, president; C. B. Kingman, Standard of New York, vice-president, and W. D. Cameron, Boston and Old Colony, secretary-treasurer.

President Pierson outlined activities and Secretary Cameron reported on inspections conducted, with results. J. B. Taylor, Western Actuarial Bureau, Chicago, discussed fire prevention under war conditions. Inspector George Smith, Detroit police department arson squad, showed pictures made by his detail on the scenes of "touch-offs."

The annual "spring sozzle" of the Michigan pond began with an initiation, with E. B. Bystrom as captain of the guards.

Stone Heads Pond

G. L. Stone, National Liberty, was elected to succeed J. F. Bohrer, Camden, as most loyal gander; P. F. Seefeld, Michigan Inspection Bureau, succeeded Mr. Stone as supervisor; C. B. Herrick, Firemen's, succeeded Mr. Seefeld as custodian. E. B. Bystrom, Underwriters Adjusting, was named guardian replacing Mr. Herrick; K. J. Scott, Firemen's, was named keeper when O. D. Wiche, Phoenix of England, declined to accept another term because of his health. Clarence Hubbard, Home, was named

Grain Liabilities Are at High Point of \$215,000,000

Liabilities of the Underwriters Grain Association today are greater at this time than they have been for many years, General Manager W. L. Lerch reported at the annual meeting in Chicago, Tuesday. As of June 15, 1942, the liabilities were \$215,000,000. This compares with \$152,000,000 as of June 15, 1941. The only loss of any consequence during the fiscal year was that of the Great Northern Elevator at Superior, Wis., Jan. 10. The net loss there was about \$1,200,000.

All officers were reelected. C. E. Wheeler of Smith & Wheeler, western managers of Hartford Fire, is president. H. A. Clark, vice-president of Firemen's, is vice-president. R. C. Steinbeck is secretary and A. M. Jochem, treasurer.

Christensen Is Named National Board Chairman

NEW YORK—Frank A. Christensen, executive vice-president of America Fore, was reelected chairman of the executive committee of the National Board, at the organization meeting here. At the same time Chris D. Sheffe, U. S. manager of London Assurance, was chosen a member of the committee to replace E. W. Nourse, who is retiring as manager of Northern.

Ellis with Firemans Fund

Robert Ellis, who for three years has been connected with the Dawson Insurance Agency at Fargo, has been appointed special agent for Fireman's Fund in North Dakota and western Minnesota. After graduating from the North Dakota State College at Fargo he went with the Dawson office. P. G. Gedelman has charge of eastern Minnesota.

Welder when W. T. Benallack asked to be retired to private life after 15 years as welder. He is past most loyal grand gander. Mr. Benallack earned a nationwide reputation as a welder with a flare for picturesque language and poetry portraying the spirit of Blue Goosedom. He served as most loyal gander of the Michigan pond in 1907 and is the oldest living past most loyal gander in point of service.

The annual goodfellowship dinner was held with J. F. Bohrer, retiring most loyal gander, introducing J. J. Hubbell, secretary Security of Connecticut and past most loyal gander of Michigan pond, as "honk-master." G. E. Edmondson, Tampa, president American Association of Insurance General Agents and grand keeper, extended greetings from the grand nest and talked on Blue Goose objectives.

Mr. Benallack on behalf of the pond presented a gold cigarette case to Mr. Edmondson.

Tribute was paid to members in service, including L. E. Murdock, Ray Douglas, R. L. Jennings, R. K. Phelps, A. W. Rittmueller and C. H. Trefz. A brief memorial service was held.

Recreation included a kickers' handicap golf match, baseball, boating and many other sports.

Permission to Use War Binders Gave Relief

WDC Ruling Eases Last Minute Tension—Many Questions Being Answered

The date for accepting WDC binders has been extended to midnight July 15 by order of President W. L. Clayton. Binders received after midnight June 30 shall attach when date-stamped by the fiduciary agent or the date of the post mark and shall expire not later than midnight July 31.

The decision of the War Damage Corporation last Friday to permit binders to be taken for its coverage was not surprising to the business. It had become evident that it would be humanly impossible to get applications completed and put in the hands of fiduciary agents by July 1, for all of the property owners that desired coverage. The first batch of supplies was not in the hands of companies and agents in many places up until the end of last week and some of the application forms had not yet made their appearance anywhere. Moreover there were a myriad of questions of interpretations of the rules that arose and the WDC commenced just last Friday to give out a series of official interpretations.

Position of Loaning Companies

There was also the position of banks, life insurance companies, building and loan associations and other mortgagees and their borrowers to consider. Some of these institutions sent out printed communications to mortgagors either directing them or making a very forceful appeal to them to buy the insurance and these communications did not begin to arrive until last Saturday. Many of the mortgagors did not receive the letters until Monday and Tuesday and if any large proportion of them had tried to get in under the wire by July 1 and have applications completed and in the hands of fiduciary agents there would have been untold congestion.

Provisions of Binder

The binders had to be postmarked or in the possession of fiduciary agents not later than midnight June 30. Insurance so bound is subject to all of the terms, conditions and limitations of the WDC policy and regulations. The insurance was effective at midnight June 30 and shall terminate not later than midnight July 31, unless completed prior thereto by issuance of a policy. If a binder is not completed, the pro rata earned gross premium shall be paid to the corporation. No special form of binder was prescribed but whatever form was used had to indicate the name of the insured, amount of insurance, location of prop-

(CONTINUED ON PAGE 12)

Mo. Rate Case Hearings Move Back to Chicago

Attorney-general McKittrick of Missouri resumed the hearings in his quo warranto suit against fire companies in Chicago Tuesday. E. L. Rickards, branch secretary of the National Automobile Underwriters Association, and W. N. Achenbach, western manager of the Aetna Fire group, were the first two witnesses.

McKittrick plans to move on to New York about the middle of July to take testimony of more than 60 witnesses. He has requested that all the eastern witnesses appear in New York, but company attorneys are still arguing for a session of the hearings to be held in Hartford. The record taken at the hearings now totals 23,000 pages.

McKittrick at Jefferson City asserted that the National Automobile Underwriters Association fixed automobile rates all over the United States. Testimony of company witnesses was that through the Missouri Inspection Bureau the N. A. U. A. submits rates to the Missouri department, but that there are a good many changes made by the department before the rates become effective. This is borne out by the filings.

Shows Interest in Committee

McKittrick showed keen interest when Mr. Rickards mentioned the western regional committee of the National Automobile Underwriters Association in Chicago. S. M. Buck, Great American, is chairman of this committee, and Mr. Rickards testified that the committee supervises the 18 midwest states, including Missouri. It has a rate committee, "so called for want of a better name," which serves in an advisory capacity. It consists of automobile department superintendents of fire companies. It studies statistics and makes recommendations on rates to a special subcommittee of the western regional committee. Any recommendations of the latter are passed on to the N. A. U. A. for action.

Mr. Rickards said his duties consist of answering correspondence, analyzing experience, studying what rates should be charged, applying the approved fleet formula and determining fleet rates, etc.

Personnel of the western regional committee is the same as that of the governing committee of the Western Underwriters Association, Mr. Rickards said. It meets infrequently on special call only.

Achenbach Is Questioned Closely

Mr. Achenbach was questioned closely by McKittrick, particularly as to his duties as chairman of the uniform forms committee of the Western Underwriters Association. Mr. Achenbach said that he presided over its meetings, and that the committee acted as a clearing house for suggestions as to changes in forms. Most of these suggestions are received from agents, assured, and various companies.

Mr. Achenbach said that among suggestions from agents were a number on the dwelling form. Mention of the dwelling form sent McKittrick into a heated interplay with company counsel. To his knowledge, Mr. Achenbach testified, the governing committee did not make recommendations to the uniform forms committee on the dwelling form.

McKittrick then sought to find out what powers the forms committee had. Mr. Achenbach said it assembled suggestions, prepared the form, and submitted it to the insurance departments of various states for approval.

Chicago Witnesses

Witnesses to appear in Chicago include A. F. Powrie, western manager of Fire Association; W. L. Lerch, manager Underwriters Grain Association; W. P. Robertson, resident vice-president of North America; George E. Bell, retired western manager of National Fire; C. A. Dossall, St. Paul Fire & Marine, St.

H. E. McClain Nominated for Ind. State Treasurer



HARRY E. McCLAIN

INDIANAPOLIS—Harry E. McClain, former insurance commissioner of Indiana and for several years executive secretary of the Indiana Association of Insurance Agents, was nominated, almost without opposition, for state treasurer at the Democratic convention here Tuesday.

Paul; G. N. Gardner, Merchants Fire of Denver, and W. R. Reilly, Dubuque Fire & Marine. The last three will appear July 6.

The attorney-general intends to introduce marked copies and clippings from various insurance journals that carried stories on the Missouri rate case.

With McKittrick in Chicago is Assistant Attorney-general Wasserman. Representing the companies are Homer H. Berger and David A. Murphy of Kansas City and Fred L. Williams of St. Louis. John H. Windsor is the Missouri supreme court's commissioner for the hearings.

War Damage Meetings on Coast

SAN FRANCISCO—More than 1,500 fire and casualty agents and their employees attended special meetings in California which gave specific instructions on writing war damage insurance. Held at strategic points throughout the state by the California Association of Insurance Agents, the meetings had been previously set up and were under way within 24 hours after receipt of rules and regulations by the association.

H. H. Hendren, president, handled northern California; C. W. Carpenter, vice-president, San Joaquin valley; Harry Perk, Jr., National councillor, southern California; Harold I. Callis, Santa Barbara; Ralph E. Bach, San Diego; Frank Colridge, south coast; Neal Harris, San Mateo, and A. V. Holman, assistant secretary America Fore, Oakland.

Opposition Arises to Merging of Western Factory

There is considerable opposition found here and there to the combining of the factory associations, especially having the Western Factory of Chicago lose its individual identity. A few years ago this question arose at a meeting of the central west councillors of the National Association of Insurance Agents. While no action was taken yet expressions from the floor indicated that the large agents who patronize the Western Factory are much opposed to any amalgamation. One of the leading local agents in the middle west has expressed his views to THE NATIONAL UNDERWRITER as follows:

"Industry and commerce throughout the United States emanates from each state where the home office of the business is located. Full underwriting jurisdiction should be maintained in each division of the association in order that the same type of service may be rendered in the middle and far west as well as in the east. In other words, the regional supervision implies that instructions on underwriting procedure on national accounts will emanate from the east, whereas full authority should be vested in each territory to underwrite the business.

"First of all, the Western Factory knows more about the business in the west than any other group, and second, it should have full authority to handle national accounts that emanate from this source without any restrictions from any other territory. Furthermore, there should be no discrimination in the handling of the national accounts between territorial supervision."

National Names Hall in Iowa, Wiegner in N. D.

Carl M. Hall has been appointed special agent in Iowa for National Fire. Mr. Hall attended Drake University and Iowa State College previous to joining the Iowa Service Bureau in 1937, where he served as an inspector principally in eastern Iowa. Mr. Hall will travel the eastern Iowa territory, formerly handled by Special Agent William P. Winkler who was recently transferred to Ohio, and will be under the supervision of State Agent Will H. Harrison.

Edward H. Wiegner has been appointed special agent in North Dakota for National Fire. State Agent Alan K. Bolton has left to enter military service as major of infantry, and Mr. Wiegner will carry on in his absence. Mr. Wiegner has had experience in local agency work and in the underwriting field and production department of the Chicago office of National. He will have his headquarters at 107 Roberts street, Fargo.

Hail storms extending from Sterling, Colo., to western Nebraska last weekend did extensive damage to wheat and other crops.

Archie Millard Makes Fourth of July Appeal

Archie B. Millard of Grand Rapids, Mich., chairman of the accident prevention committee of the National Association of Insurance Agents, puts out this appeal to local agents as July 4 approaches:

"Fourth of July may be a day of great celebration, but if it follows the pattern of the history of the past several years, it will be a day of serious disaster for many families here in the

states, whether or not we have hostile invasion.

"July is the month of annual national disaster, and this year the agents in our organization should put special emphasis on their safety work to preserve safely the personnel of our war production industries.

"There are no back-lands in America. Every acre of soil, every home, factory and store, every street and highway is a potential producer to defeat the enemy. Last year's July record was as follows: Killed, 9,600; injured, 900,000; cost, \$300,000,000.

"This is a job for American agents. Every one should strive to prevent a fire and an accident, fatal or non-fatal. If each member will do his part, as a national organization we will have materially aided the Allies.

"How will you celebrate?"

Five More Illinois District Meetings Scheduled

Five more district meetings in the series of 32 sponsored by the Illinois Association of Insurance Agents have been scheduled. July 1 agents at Libertyville and vicinity met in that city. Next week for four days, meetings will be held in Regions 7 and 8 in the southern part of the state.

July 7 there will be a gathering in Hotel Stratford, Alton, with John A. Grossheim as chairman. The following day a meeting is to be held in Hotel Belleville, Belleville, with Ralph Niemeyer as chairman. July 9 a meeting is scheduled at Marion in the Elks Club, and John Dougherty, Cairo, vice-president of Region 8, will be chairman. Another will be held at Flora in the American Legion hall, the chairman being LeGrand A. Flack, Effingham.

Four speakers have been secured and discussions will deal with current problems affecting insurance in war times. The speakers at the four meetings are: Karl L. Nurdyke, manager Travelers, on "The Importance of Personal Liability Insurance to Volunteer Civilian Workers;" Lawrence McIlwain, special agent Great American, on "Rental Value—a Defense Necessity;" N. V. Deulich, manager marine department Commercial Union Assurance, on "The Personal Property Floater Policy in War Service," and Charles F. Daniels, state agent Norwich Union, on "The New War Damage Insurance Plan."

Lillian L. Herring, Chicago, executive secretary of the association, reports an unusual interest has developed in these meetings in all parts of the state, and it is believed this is the ideal way in which to arouse interest in the grass roots educational movement.

Study War Cover for Maryland

BALTIMORE—A committee of three has been appointed by Governor O'Connor to make a study of the advisability of insuring state property against war risk. The committee consists of Harry F. Ogden, president of Fidelity & Guaranty Fire; Albert D. Graham, chairman of First National Bank, and Austin McLanahan, president Savings Bank of Baltimore.

THIS WEEK IN INSURANCE

Decision of War Damage Corporation to permit binders to be taken to effect coverage up to June 30, eased much last minute tension in the handling of this business. **Page 1**

Michigan field men's organizations hold summer outing, elect officers, at Onkama. **Page 1**

Reports from various cities throughout the country indicate that the subject of War Damage Corporation insurance is the engrossing business and topic of the day on the part of the insurance industry. **Page 1**

Opposition is arising here and there to merging the Western Factory with the Factory Insurance Association. **Page 2**

Hearings in Missouri rate case reopen in Chicago, with many to be called. **Page 2**

The National Association of Insurance Women elects Ada V. Doyle president at closing sessions of its annual convention in St. Paul. **Page 3**

George L. Dyer, Jr., elected president of National Association of Accident & Health Underwriters at annual meeting in Detroit. **Page 17**

Local agents are urged to stimulate enrollment in civil pilot training courses. **Page 17**

Accident and health sales suggestions keyed to today's needs offered at National association sales congress. **Page 17**

Auto fatalities dropped 25 percent in May as compared with May, 1941. **Page 19**

Harold R. Gordon reviews prospects for federal disability insurance legislation at meeting of National Association of Accident & Health Underwriters **Page 10**

Successful Annual Parley Staged by Insurance Women

Group Elects Ada V. Doyle President at St. Paul Convention

NEW OFFICERS ELECTED

President—Ada V. Doyle, Caldwell, N. J.
First vice-president—Ethel Brink, Tulsa.
Second vice-president—Ethel Holman, Nashville, Tenn.
Corresponding secretary—Clare McCurry, Paterson, N. J.
Recording secretary—Georgia Sandlin, Dallas.
New members executive board—Elsie Mayer, Denver; Sue Fuller, Seattle; Merle Webster, Kansas City, and Nora Walker, Los Angeles.

ST. PAUL—The predominant note at the annual convention here of the National Association of Insurance Women was that the women are on the threshold of a new era of usefulness in the insurance business, and that they must equip themselves accordingly.

Milwaukee was selected as the location of the 1943 convention, which will be held unless war conditions interfere.

As expected, the election of officers developed into a spirited contest for some of the offices. Nominations were made from the floor and one of these, Nora Walker of Los Angeles for the executive board, was elected.

Challenge to Women

A challenge is offered the insurance women of today to demonstrate that promotional as well as mechanical effort can become an important segment of their work, Robert A. Laird, production manager St. Paul Fire & Marine, pointed out.

Promotional service centers around three activities: goodwill, service and selling special lines, of which goodwill is the most important, Mr. Laird said. "For goodwill is actually you: You in personality, you in expression, you in contact with your agency's customers. "The second function is service: stimulating confidence and satisfaction in your agency." A good example of this is a plan of calling persons holding one year term policies who can't afford paying three years in advance and suggesting that they buy a three years term contract, financing the premium at a saving of more than 12 percent.

The third function is selling special lines. By explaining them to the prospect, "you pave the way to the sale, enabling the boss to devote his full time to doing the selling."

Need Protection

Citing insurance conditions during the first world war and what agents did to meet them, Hilda L. Rogers, secretary Wisconsin Association of Insurance Agents, offered some suggestions on how to meet problems confronting their agencies today.

"In our work in the insurance field," she said, "we come into contact with many men in industry. Perhaps some of us have been holding back our recommendations for insurance, thinking that some clients might feel that we are trying to oversell them. We should not feel that way and should let nothing stand in the way of giving the most complete and reliable protection. We must urge insurance protection needed for uninterrupted business. Show them

(CONTINUED ON PAGE 6)

Ancient Fire Engine Is Added to Home Museum

The 104-year-old fire engine pictured here has been added to the Harold V. Smith Museum of fire fighting paraphernalia at the home office of Home of New York.

"Old Vet" has participated in many



famous parades, including the inaugural of President Cleveland and the dedication of the Statue of Liberty in 1886. Since 1904 it has been a prize possession of the Veteran Volunteer Firemen's Association of Elizabeth, N. J., which relinquished it because of dwindling membership.

It originally was run by the Hope Engine company of Philadelphia, and was built by John Agnew, famous engine maker, in 1838. It was considered a model of efficiency and beauty in its time.

Heavy Call for War Cover in Several Western States

DENVER—Contrary to previous estimates, the demand for war damage insurance in Colorado, New Mexico and Wyoming has reached large proportions.

Although located inland, there are a large number of war industries, army camps and air schools in this territory which make these states liable to enemy attack. Many mortgage companies and individuals are making application for this coverage.

The task of distributing applications for war damage insurance is being handled by the Mountain States Inspection Bureau.

Jottings from Baltimore War Damage Scene

BALTIMORE—The rattle of typewriters roars through the night in the insurance district of Baltimore. Thanks to the extreme and efficient co-operation of the Baltimore Board, the Baltimore agents were quickly furnished with supplies by June 22. The now famous Schedule Form No. 11 was lacking, so the rating manager, Carl Wheelock, and an assistant motored to Washington and after much buffeting, returned with enough ammunition to keep the offices supplied for a few days. Agents elsewhere in Maryland were not so fortunate, being required to write to Philadelphia to the Middle Department for supplies.

Much comedy shows up, now that the early barrage has subsided. One agent is said to have gone to the WDC headquarters pleading for a copy of the regulations, but the most he could get was repeated offers of a job with the outfit. With no stamping or rating secretary to answer questions, many of the local agents conferred upon interpretations and pooled their information wherever possible. Much interest was evidenced by holders of ground rents desiring insurance, these persons maintaining that such insurance is not against a "consequential" loss. Opinions vary, but it does not seem that such an interest is intended to be covered by the regulations, even though the interest is closely analogous to a mortgage or other financial interest.

Some Features Brought Out in War Damage Insurance

Local agents are finding many interesting situations in connection with war damage insurance. Some offices seemingly have taken the stand that it does not pay to solicit the business, especially with regard to dwellings and other lower valued risks. For the most part war damage insurance is a selling rather than a buying proposition. However, a number of agents state that they are notifying all their policyholders about the coverage, the cost and its features, not desiring to take any chances of being criticised in case a bombardment does occur and property is damaged.

Enraged Woman Policyholder

One agent reports that a woman policyholder owning a dwelling was particularly anxious to have her property covered and was quite indignant that the agent had not told her about it beforehand. Another agent states that he had a policyholder that had \$50,000 invested in his own business and that was all he had. Both the policyholder and the agent agreed that he could not afford to take any risk. Numerous persons located along the Gulf of Mexico or within flying distance from it are purchasing the war damage coverage and naturally most along the Atlantic and Pacific and the Great Lakes coasts.

Many agents take the ground that they cannot afford to ignore the coverage and hence are notifying their policyholders about it. Local agents as a rule are anxious to get all information possible and when field men visit them queries are made regarding certain points which are not clear.

Will Await Developments

Some agents say that a number of their policyholders have decided not to take war damage insurance unless there are more serious developments later on. They think the hazard is remote but if there is a bad raid at some point they will take out insurance.

Agents in some localities are advertising in their local papers either individually, by groups or using the local boards. In this way they notify all hands about the coverage, what it costs, etc.

General offices that are acting as fiduciary agents are surprised at the amount of business coming in, this especially being true in case of western departments or companies located in the central west where the danger of bombardment is not regarded so serious as along the two coast lines and the Gulf of Mexico. Most of the company people feel that the 3½ percent will not be sufficient to cover the expense. Each office has set up a separate department to handle war damage applications. In most cases an experienced examiner has been put in charge. He requires an accountant and a secretary. Perhaps another employee or two will have to be put to work.

Do Agents Carry the Indemnity?

Some agents in making their rounds soliciting this form of insurance are asked, "Do you carry war damage insurance? If not, why do you think it is a good thing for us?"

Some building and loan associations are requiring war damage insurance carried on properties where they have loans. Banks as a general rule are also demanding insurance, especially in connection with larger properties.

In some smaller places while the hazard would seem to be far off yet there is a demand for war damage insurance because many of them are within range of large industrial plants, defense industries, munition factories and the like. Some of these villages, therefore, are afraid that a high bombing plane might drop a torpedo or bomb, miss the target by several miles

and hit towns within a vicinity of 20 miles.

PLAN FOR BROKERS

An interesting issue arises in a city like Chicago where an agency may have brokers and solicitors attached to it. Under the rule of the War Damage Corporation the producer gets 5 percent commission. Yet, therefore, a class 1 agent of the Chicago Board is asked to take business from a broker or solicitor and the latter claims a full 5 percent. The agent has no compensation. Therefore, the agent will notify his solicitors and brokers to take the business or send it to the office of one of his companies. Inasmuch as the remittance has to accompany the application the problem of collecting premiums is obviated. Where brokers deal only with branch offices their procedure is simple because they take the business there and it is handled as any other line except that a separate account is kept of it.

A few companies going after war damage insurance are having a comparatively large setup at their offices and instructing field men to visit agencies and offer to go out and solicit this coverage. If the 3½ percent will not cover the expense the companies going after the business will be in the red but undoubtedly such offices believe that through this medium their agents will be able to secure other business.

Where Special Gets Application

Where a special agent solicits a war damage risk and gets the application and fills it out he goes to the agent and asks him to sign it. Already an issue has arisen over an application, the company objecting to a certain feature. The agent informed the company that its own man filled out the application and therefore it is responsible. This goes to show that it is dangerous for a local agent not to fill out the application himself so that on him alone the whole responsibility can be thrown.

Most companies take the ground that they do not desire the business inasmuch as there is no profit in the transaction but that they are functioning in a patriotic manner. Therefore they contend that they will handle the applications as expeditiously and efficiently as possible but will not endeavor to promote the writing of this insurance.

Where a concern is making good money and undoubtedly will have some juicy profits at the end of the year, an agent in his argument reminds the prospect that the government income tax on profits will take 70 percent and he could buy his war damage insurance, which is a deductible item and thus really pay only 30 percent of the cost. It usually hits the mark.

A number of class 1 agents, however, do not find it so simple as to notify their brokers to go to one of their company offices. The Critchell-Miller agency had the Camden Fire appoint it as its fiduciary agent. Other offices have taken similar action. Therefore the brokers' business can be handled direct in the office through some sort of a commission arrangement. Fred S. James & Co. split even with brokers up to \$100 premium and then above that the firm keeps 2 percent. The agents find that they have to do the work for many brokers anyhow and hence making no profit on a 5 percent commission they find it necessary to charge the brokers something for service.

The larger class 1 offices and many of the smaller ones have taken the position that they should be able to render service to their brokers, solicitors and assured. Therefore they will agree to handle the applications for the broker on some sort of a split, according to the service rendered or the amount of the premium. Often a broker wants someone from his firm to talk to the assured.

Then the firm will take a larger commission. There are all sorts of splits agreed upon and adopted by the agencies. They are regarding it purely as a patriotic service proposition and doing the best they can under the circumstances.

Seemingly some of the companies are discouraging brokers from dealing with them direct, taking the position that they should work through their own offices. The internal arrangement, that is as to the amount of the split, differs with the various agencies.

Kulp Is Elected M. L. G. of Colorado Blue Goose

DENVER — Officers elected at the annual meeting of Colorado Blue Goose are: Most loyal gander, Walter J. Kulp, manager Mountain States Inspection Bureau; supervisor, H. J. Helmkamp, America Fore; custodian, P. E. Heath, Scottish Union & National; guardian, Frank Connors, Fire Companies Adjustment Bureau; keeper, H. B. Maltby, manager mountain department of Crum & Forster; welder, K. H. Swearingen, Daly General Agency. The installation was conducted by R. N. Hill, general manager F. C. A. B.

Grand Nest Delegates

Delegates to the grand nest meeting at Toronto in August are Mr. Kulp and H. A. Reynolds, Pacific coast manager of Home and grand supervisor of Blue Goose. Subject to war conditions, the grand nest will be held at Denver in 1943.

Afred L. Stebbins, Cobb & Stebbins agency, was elected a member.

A buffet dinner was furnished by Clarence Cobb, past most loyal gander of the Colorado Pond.

Three Oppose Hobbs

WICHITA—Opposing Commissioner Hobbs of Kansas, immediate past president National Association of Insurance Commissioners, in his campaign for reelection in Kansas are O. A. Herbert, Peabody; Lillio O. Stewart, Concordia, and Harry W. Eagle, Topeka. The primary election is Aug. 4.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business June 29, 1942.

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	118	122
Aetna Fire	10	1.80*	47	49
Aetna Life	10	1.40*	25	27
Amer. Alliance ..	10	1.20*	18 1/2	21
Amer. Equitable ..	5	1.00	17	19
Amer. Home	10	...	6	8
Amer. (N. J.) ..	2.50	.60*	12	13
Amer. Surety	25	2.50	49	51
Automobile	10	1.40*	31 1/2	33 1/2
Boston	100	21.00	495	515
Camden Fire	5	1.00*	17 1/2	19
Carolina	10	1.40*	24 1/2	27
Contl. Cas.	5	1.50*	30 1/2	32
Contl. N. Y.	2.50	2.20*	36 1/2	38 1/2
Fidelity-Phen. ...	2.50	2.20*	36 1/2	38 1/2
Fire Assn.	10	2.50*	50	53
Firemen's (N.J.) ..	5	.40	9 1/4	10 1/4
Franklin Fire ...	5	1.40*	24 1/2	25 1/2
Gen. Reinsur. ...	5	2.00	38	40
Georgia Home ...	10	1.20*	21	23
Glens Falls	5	1.60	34	36
Globe & Repub. ...	5	1.50	8 1/4	9 1/4
Gt. Amer. Fire ...	10	1.20*	23 1/2	25
Gt. Amer. Ind. ...	10	.20	9 1/4	10 1/4
Hanover Fire ...	10	1.20	21	22 1/2
Hartford Fire ...	10	2.50*	87	90
Home (N. Y.) ...	5	1.60*	26 1/2	28
Ins. Co. of N. A. ..	10	3.00*	65 1/2	68 1/2
Maryland Cas. ...	1	...	1 1/2	2 1/2
Mass. Bonding ...	12.50	3.50	56	58
Mer. (N. Y.) Com. ..	5	2.00*	39 1/2	43
Natl. Cas.	10	1.00	20 1/2	22 1/2
Natl. Fire	10	2.00	52 1/2	54 1/2
Natl. Liberty ...	2	.40	6 1/2	7 1/4
Natl. Un. Fire ...	20	5.00*	143	148
New Amst. Cas. ...	2	.95c	19 1/2	20 1/2
New Hampshire ...	10	1.80*	39 1/2	41 1/2
Northern (N.Y.) ..	12.50	5.00*	80	83
North River ...	2.50	1.00	20 1/2	21 1/2
Phoenix, Conn. ...	10	3.00*	78 1/2	81 1/2
Preferred Accl. ...	5	1.00	12 1/2	13 1/2
Prov. Wash. ...	10	1.40*	27 1/2	29 1/2
St. Paul F. & M. ...	62.50	10.00*	240	250
Security, Conn. ...	10	1.40	34 1/2	36 1/2
Sprgfd. F. & M. ...	25	4.75*	106	109
Standard Accl. ...	10	2.50	49 1/2	50 1/2
Travelers	100	16.00	380	395
U. S. Fire	4	2.00	42 1/2	44 1/2
U. S. F. & G. ...	2	1.25*	25	26

*Includes extras.

Uniform Printing Handles Big War Risk Forms Job

The Uniform Printing & Supply Division in Chicago of the Courier-Citizen Company of Lowell, Mass., and the parent organization there have just established an outstanding record in an all-out production of federal war damage forms running into the millions of copies.

The main plant at Lowell received a contract last Saturday for 2,500,000 copies of application form No. 2, which is in triplicate, thus involved 7,500,000 printed forms. There was some paper of the right size on hand and the presses began to roll Sunday. The additional needed paper was ordered from the mills and the deliveries to various inspection bureaus in the east were: The first 100,000 to 200,000 forms for the New England Insurance Exchange, 250,000 to 500,000 forms for the New York Fire Insurance Rating Organization, and 150,000 to 300,000 forms for the Middle Department, delivered Tuesday. The balance of the order was delivered Wednesday and Thursday, to be completed Friday.

Courier-Citizen has a large, very fast roller press which was kept turning day and night. Parts of the order were farmed out to other printers.

Chicago Division Participates

The Uniform division in Chicago received a contract for 1,000,000 copies of this application form Wednesday of last week and had no paper on hand of the right size. The paper was ordered from the mills and arrived Friday when the presses began to turn. The entire order has been run off and was shipped to inspection bureaus in 18 midwestern states which will distribute the forms directly to agents upon requisition only.

Uniform also last Saturday received a contract for 1,000,000 of the No. 11 schedule, which order was filled over the week-end and enough supplies shipped out Monday to fill all orders on hand, according to F. C. Hoffman, western manager.

Royal-Liverpool Promotions

MONTREAL—The Royal-Liverpool groups announce that J. D. Mason, casualty superintendent in the Montreal branch has been named to the newly created post of production superintendent for all fire and casualty lines at the Canadian head office here. R. L. Denonville has been appointed casualty underwriter at the Montreal branch for all lines except automobile. H. K. Lepage will be automobile underwriter.

Leonard Hook, chief inspector, at Ottawa, has been appointed agency superintendent in Winnipeg. Frank Croydon, formerly resident inspector at Saskatoon and more recently inspector at the Winnipeg branch, succeeds Mr. Hook.

Withrow Western Canada Head

WINNIPEG, MAN.—The Western Canada Insurance Underwriters Association at its annual meeting elected E. P. Withrow, Dominion of Canada General, as president. R. P. Simpson, Sun, is vice-president fire branch; C. W. Bolton, Home, automobile branch, and N. G. Matheson, Canada General, casualty branch.

The gathering celebrated the 60th anniversary of the association, and many guests were in attendance including Alex Hurry, president Canadian Underwriters Association; C. S. Malcolm, president Dominion Board, and A. H. Stead, manager Dominion Board.

Operations Combined in N. Y.

The entire operations of Constitution Reinsurance are now being conducted from 90 John street, New York City. Both the legal head office and the administrative office are located there. Heretofore the administrative office has been at Newark.

Egg Drying Plants Increase; Need Underwriting

The recent \$400,000 loss of the Iowa Egg Products Company of Dubuque emphasized interest of fire underwriters in this class of risk. There have been some serious losses in the past in both milk and egg drying plants.

The government is purchasing large quantities of both powdered eggs and milk for lend-lease shipments. Powdered eggs currently are selling for approximately \$1 a pound, and the brisk demand has caused a number of plants to spring up over the country.

On June 1, M. E. Bulske, chief inspector of the National Inspection Company, Chicago, issued a special bulletin on egg powdering plants.

Processors, speculators, and commission people are getting into the business, Mr. Bulske pointed out, utilizing former milk powdering plants or building new ones. Present profit is good and the morale hazard appears to be of secondary importance. However, it is a factor to watch when the war ends.

Must Watch Physical Hazards

Mr. Bulske emphasizes the physical hazards in some types of egg powdering plants. The process used on both milk and eggs is fundamentally the same.

The principle of recovering solids from liquid by hot air evaporation of the moisture content underlies the several systems in use.

In one process eggs are broken, occasionally separated, but generally agitated whole and sprayed into an all-metal cone or cyclone dryer. Hot air is blown through the side of the cyclone from a fan and coil unit. The heat and swirling action within the cyclone eliminates the moisture and the powder settles to the point of the cones from where it is blown or transferred by a screw conveyor to a packing hopper. The dryer exhausts air carrying some powder to a second cyclone or wet-dust collector. Everything is of heavy smooth metal, rigid and dust tight. The process is continuous, relatively small quantities of stock being in action at one time, and there are no accumulations within the dryer, making manual removal of the powder or frequent cleanout unnecessary. There are no lights or electrical contacts within the powder-containing enclosures, the equipment is grounded and the hot air and discharge fans are about the only items of any concern. The fans are especially constructed and arranged for the activity. The equipment is usually steam heated and its fire and explosion record has been good. Occasionally gas heat will be used with this sort of apparatus but the furnace is set apart and the heat is indirectly applied.

Old Style Dryers Dangerous

Occasionally metal-lined, insulated, wooden drying chambers are still encountered, the remnants of plants used early in the milk powdering industry. In these, hot air is blown up through the bottom of the chamber through a deflector protected pipe. The descending egg spray comes in contact with the ascending hot air and is converted to powder which is mechanically or manually pushed or swept into a hopper. Since the required temperatures range from 260 to 320 degrees and go as high as 360 degrees in actual practice, carbonization has been known to occur and much dust is produced in the process. These old style units have had a large number of fires and explosions.

There is a measure of dust hazard in the powdering business, since the dust from both powdered milk and eggs is explosive, but modern layouts are much safer than the crude old style chamber installations. The latter occasionally are being resorted to nowadays. Where egg storage is within buildings, combusti-

Federal Crop Insurance Will Cover War Losses, Premium Credit Offered

The U. S. Department of Agriculture has issued a statement that losses caused by warfare to wheat and cotton crops insured under the federal crop insurance program are covered. The federal cover is an all risk contract and pays for losses caused by war or any other "unavoidable hazard." The war protection will be given 1942 contract holders automatically, and will be continued for those farmers insuring their 1943 crops during the next few months. Apparently there is to be no increase in premium for the assumption of this additional hazard.

There should be demand for War Damage Corporation protection on crops other than wheat and cotton and on those crops for the percentage of value not covered by the Federal Crop Insurance Corporation.

Reduced Cost for Wheat Growers

Although the government's crop insurance program shows a large deficit, the Department of Agriculture has just announced a reduced cost plan for insured wheat growers who have built up large premium balances in excess of losses. Maximum credit will be 50 percent. The reduction will be given farmers only in years when they have no losses, and a farmer must have insured his crop from the outset of the crop insurance program.

General Decides on Rates for War U. & O. Cover

General of Seattle has published rates and made known the rules for war damage rent and use and occupancy insurance which it will write, to supplement the coverage provided by the War Damage Corporation. The rate is higher for California and Oregon and Washington west of the Cascades and within 100 miles of the Atlantic ocean or Gulf of Mexico than it is for the inland zone. In the coastal regions the annual rate on a 12 month basis for fireproof construction is 35 cents and for ordinary construction 50 cents; on a nine month basis it is 42 cents and 60 cents and on a six month basis, 50 cents and 75 cents. For the inland regions comparable rates are 10 cents and 16 cents, 12 1/2 cents and 20 cents and 16 cents and 25 cents. There is a minimum premium of \$5.

The premium must be paid at the time the application is submitted. The policy is non-cancellable by either company or assured. The commission to brokers is 10 percent.

Dale G. Roth Secretary

MANSFIELD, O.—Dale G. Roth, formerly assistant secretary of Lumbermen's Mutual, has been appointed secretary to succeed W. H. G. Kegg, who retired Dec. 31.

Previous to joining the Lumbermen's Mutual in 1936, he was employed for six years as accounting and statistical systems engineer with the International Business Machines Corporation, and for three years with the Brotherhood of Railway Trainmen, in their insurance department. He graduated from Wabash College in 1927.

bility and damageability rate high, but in country establishments where space is not a consideration, such storage is or should be outside the process building. A building full of tinder like egg cases could be severely damaged even if of fireproof construction.

Plants using modern equipment under good supervision and without direct fire heat are acceptable risks, but fire underwriters probably should be chary of the older, indifferently engineered types. In general the precautions necessary are those pertaining to risks producing and handling explosive dusts.



stands for vacation, too!

Under the steady drive of production for Victory it is generally recognized that vacations have their place in maintaining the health and morale of a people at war.

To make their vacations more carefree, suggest to your clients the desirability of such forms of protection as Personal Effects, Burglary, Sports Liability and Personal Accident insurance.

America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane.



and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President
FRANK A. CHRISTENSEN, Vice-President

New York, N.Y.

CHICAGO

SAN FRANCISCO

NEW YORK

ATLANTA

MONTREAL

Successful Annual Parley Staged

(CONTINUED FROM PAGE 3)

that adequate fire insurance, business interruption insurance and other forms they may need are of vital importance to them to protect their business should their production be seriously impaired. They are tying up their resources today in many unexpected ways and they cannot afford to risk their funds without adequate protection. We must assist in pointing out to owners the weak spots in their plants and particularly the bottle-necks where a fire, explosion, casualty loss or other calamity might throw a plant out of operation."

Miss Rogers urged the women to familiarize themselves with the war damage insurance plan so that they can help to make it available in their communities.

Depend Upon Women

Thousands of insurance agents who are entering some branch of the military service are leaving their business, confident that their women assistants will carry on successfully during their absence, Fred W. Westervelt, Jr., assistant B.D.O. director, declared.

"They look to you to keep that business up to the high standard it has always maintained," he said. "In the coming months you will be called upon to assume greater responsibility, as many of their tasks fall on your shoulders. In agency and company alike, women are being given more important work to do as quickly as they prepare themselves for the task. The future will not be easy for you. You must merit the recognition being given you by demonstrating your ability to do the job. This means a complete understanding of the work to be done and it means study. Your association, in its educational program, is to be congratulated for its foresight in this respect."

Explains War Damage Cover

Milton W. Mays, B.D.O. director, explained the workings of the war damage insurance and found the women eager for advice on this new coverage.

R. W. FORSHAY'S TALK

R. W. Forshay, Anita, Ia., president of the National Association of Insurance Agents, stated that "it was nothing short of providential that in an era marked by comparative complacency, indifference and a general tendency to waste precious time and resources, you insurance women were engaged in preparing yourselves for the crisis to come."

Mr. Forshay said that while the insurance women were building their national organization with the object of improving their capabilities and assuming a broader participation in the normal, everyday conduct of the insurance business, they were, in effect, completing their "basic training" for the extraordinary war-time service they are now called upon to give.

Wants Loyalty Plus

Today, Mr. Forshay said, insurance women are literally an important arm of the national civil defense. "To your usual duties, each of you must now add the work, or part of the work, of a man drawn into the armed services or in some other form of actual war work. In the insurance business we have always asked of and received from our women employees and associates a full measure of loyalty. Now we must ask for loyalty-plus, and there is not the shadow of a doubt in the minds of any of us but that it will be forthcoming; in fact, it is extremely evident now."

Mr. Forshay discussed the problems that have arisen in all communities in respect to the enlistment of local agents in the armed services and the question of how such agencies can continue to give service to clients and be kept intact for the day of the agent's return to business. More often than not, said

Mr. Forshay, the most important factor affecting any individual case, particularly in one-man agencies, is the capability of the woman associate or secretary on whom would fall the burden of conducting the agency in the absence of its owner.

Problem Is Simplified

"If 'the girl in the office' possesses the necessary insurance knowledge and initiative and courage to take over, the problem is immensely simplified, both for the man in the service and for his fellow agents who are naturally pledged to do everything within their power to see that the soldier-agent's business is preserved for him unimpaired during his absence. Lacking the presence of competent women assistants, the problem in any individual agency is considerably more difficult."

LOSS ADJUSTMENTS

George W. Lilly of New York City, general manager of the Fire Companies Adjustment Bureau, was unable to attend the convention owing to War Damage Corporation conference. His paper was read by R. Y. Bachman, assistant manager of F.C.A.B.

Mr. Lilly in his paper declared there is much opportunity to improve loss adjusting procedure. He stated that it is essential that all in the business should interpret correctly what a loss adjustment really is. It is much more than the mere manual maneuver of getting a proof of loss signed. The reward has come for dignified adjusting management and those associated with that sort of work have not found it easy to comprehend the rather general neglect of this most important interesting insurance function, he added. Insurance is indemnity. Indemnity is the adjustment and payment of a loss. All other insurance activity is either selling insurance or is incidental to selling. The selling of insurance, he contended, is the selling of loss adjusting. Loss adjusting then is the stock in trade of the insurance business. It is the merchandise and commodity of that business. Loss adjusting and paying a loss is delivering this merchandise. To the public eye, he stated, that is all there is to insurance. People are not impressed by the sale of insurance nor by the policy itself nor any other incident to indemnity.

Impression Formed from Loss Work

People get their whole impression of insurance from the loss adjustment and, he added, that there is much opportunity to improve the public's impression. He said that many engaged in insurance have not utilized fully their opportunity to obtain the maximum through this immediately accessible channel to mold a good public attitude. While there has been much improvement in recent years, he said, there is much ground left for development. To get the maximum benefit, he said, the producers must submerge all selfish interests and think not at all of immediate temporary advantage but be directed by genuine ambition to work for the good of their business generally. Every loss adjustment, he added, should be conducted with the purpose of having the public understand and commend the good character of insurance companies.

Adjustment on Business Basis

People should question the character of those who are carelessly liberal. They cannot respect them, Mr. Lilly stated, even though they be the beneficiaries. The smallest claim, he said, must be reviewed and its amount determined. It is not an easy task, he asserted, for the agent in the heat of competition to ignore an immediate though temporary advantage to be gotten from a fast and extravagant settlement lacking all business formality.

Mr. Lilly gave the fundamentals of

successful loss adjusting, saying that the adjuster must be physically and mentally worthy of representing the insurance business to the public. There should be no restraint on his time employed in an adjustment because his time spent, if properly applied, is worth far more than the cost, not only in the determination of the amount of the loss but in the development of a good public attitude toward the business. The adjuster, he continued, must be patient and courteous, examine into every item of loss. He must have the single ambition to deal effectively with the public and to do that he must submerge all selfish interest and work for the general good of the business.

Mr. Forshay, who was to have inducted the new officers at the annual banquet, could not remain for that ceremony and his place was taken by Clarke Smith of the Royal-Liverpool groups. Commissioner Johnson of Minnesota administered the oath of office to the new officers. Mrs. Mayer, retiring president, was presented with a watch by member clubs, and Mrs. Ada Doyle, the new president, given a gavel. Organization of local women's insurance clubs must go on despite the war, Ethel A. Brink, Tulsa, said in a talk. Miss Brink offered suggestions on the organization of such clubs.

As host at the spectacular ice show that brought the convention to a close Saturday evening, C. F. Codere, president of the St. Paul Fire & Marine, paid tribute to the part which women are playing in the insurance business. The colorful ice revue delighted the large crowd.

More Licenses to Women
In his welcoming talk as pinch-hitter for Commissioner Johnson, Deputy Commissioner Purcell commented on the increase in the number of licenses issued to women the past few months.

The annual dinner and ball was attended by nearly 400 men and women. Gov. Stassen of Minnesota, introduced by Fern Harrington, St. Paul, spoke on the part women are playing in the economic life of the nation. The two national association presidents, Mrs. Mayer and Mr. Forshay, led the grand march.

The "stump the experts" feature put on by Bernedea Faulk, Wichita, Kan., and Gladys M. Hobson, Tampa, Fla., made a hit. John H. Egloff, Travelers; Frank Potter, Aetna Casualty & Surety, and R. G. Bachman, Fire Companies Adjustment Bureau, were the experts and came through with the payment of but one dollar for failure to answer a question satisfactorily.

CONVENTION NOTES

St. Paul Fire & Marine made special arrangements to greet the delegates representing agencies of that company. A group of home office girls headed by Bonnie Gilmore acted as hostesses in showing the visitors about the home office and taking them on a tour of St. Paul. Miss Marie Haugen was in charge of a reception desk in the home office lobby at which each visitor was presented with a gift.

T. J. Lilly, veteran field man for America Fore, got a good hand when he was introduced at the session where his son, George W. Lilly, general manager of the Fire Companies Adjustment Bureau, was scheduled to speak.

A dinner was sponsored by **First Bancredit Corporation**.

U. S. F. & G. was host at a luncheon. Secretary C. J. Fitzpatrick and Clara Maccubbin, assistant manager agency development department, were at the head table.

C. F. Liscomb of Duluth was accompanied to the convention by Alice Olson and Laura McFarlane of his own agency and Gertrude Tobin of Dunning & Dunning.

The second vice-president's luncheon at the St. Paul Athletic club was sponsored by **Anchor Casualty**. Marie Eresch, Topeka, Kan., presided.

R. S. Chaloner, Minneapolis manager of American Automobile, was host at a reception preceding the Thursday dinner.

The Royal-Liverpool groups enter-

tained at an escort party preceding the annual dinner.

Saturday the **Frank S. Rogers agency**, St. Paul, was host at a picnic.

George E. Edmondson, president American Association of Insurance General Agents had to take a taxicab from Manitowoc, Wis., and drive 85 miles to Milwaukee and a fast train in order to reach the convention in time for his scheduled appearance.

At one of the dinners each girl was presented with a handkerchief by **Smith & Wheeler**, western department managers of Hartford Fire, Chicago.

George Maxwell of Home, Minneapolis, and **J. Harry Lewis**, St. Paul F. & M., took charge at one of the dinners. When Mr. Maxwell called on various persons in the room for talks, Mr. Lewis promptly interrupted with the announcement he had been appointed "speech rationer" by Leon Henderson and forbid all talks except one by Fern Harrington.

N. Y. Coinsurance Ruling

The arbitration committee of the New York Fire Insurance Exchange has made a ruling that application of average or coinsurance clause to the coverage of cost of removal of debris may be waived, provided the waiver is limited to the cost of removal of debris only.

E. G. Floyd, Robstown, Tex., has opened a local agency and will represent Pennsylvania and other companies.

Increase your accident sales with ideas from the Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Dog—The Friend of Man



THE BEAGLE

Anyone who has followed a Beagle through the underbrush will seldom forget this active, capable dog. He stands not over 15 inches high. The ears, while long, do not in any way equal those of the bloodhound's or basset's. They reach the tip of his nose.

Friendliness is the most outstanding characteristic of the Beagle. He "carries a gay stem" and loves to hunt rabbits. His legs are strong and straight, and the hock fairly well bent. Every drop of blood in this little fellow's veins is that of a true hunter, and he gets his greatest thrill out of plunging through the woods to unearth game for his master.

As house pets, the Beagles are engaging, sane, and companionable little dogs.

Another Friend of Man

— INSURANCE —

Especially When Placed with

A Friendly Company

SECURITY FIRE INSURANCE COMPANY

DAVENPORT, IOWA

Protection Since 1883

(Reduced reprint from a series of calendar-blotters sent monthly to our agents and prospective agents.)

Change N. Y. Rating Setup; Daw Retires

NEW YORK—In accordance with an arrangement determined upon last January, a change in the administrative pro-



LAWRENCE DAW

cedure of the New York Fire Insurance Rating Organization became operative July 1. The offices of manager and assistant manager of the Syracuse Division are terminated. Lawrence Daw, who had been manager since 1924, retires. The three districts hitherto supervised from Syracuse will operate independently as the Rochester, Syracuse and Albany districts respectively. L. E. Fermeille will serve as district secretary at Rochester, Arthur Birchenough at Syracuse and J. A. Brown at Albany, with H. L. Betts as assistant secretary.

The purpose of the new program is to insure increased service through more direct settlement of matters incident to each of the jurisdictions, and a higher degree of uniformity of practice is expected.

D. M. Pollard, Jr., Heads Alamo Blue Goose

SAN ANTONIO—The Alamo Blue Goose held its annual splash. W. V. McNeil, Texas General Agency Company; M. B. McDonald, Fidelity & Casualty, Houston; and A. F. Maefs, Fire Companies Adjustment Bureau, took their first swim.

D. Maury Pollard, Jr., Commercial Union, was elected most loyal gander; Thos. Holleran, Standard of New York, supervisor; S. A. Dunn, Hartford Fire, custodian; Harold G. Reinhackel, America Fore, guardian; E. L. Stephens, Firemen's, keeper, and Warren L. Gravely, Home, welder.

The presentation of the past most loyal gander pin was made by Maury Pollard, Jr., to Jack Frazier.

The pond members believe that D. Maury Pollard, Jr., is probably the first son of a past most loyal gander to be elected to that position. D. Maury Pollard, Sr., of Beaumont was head of the South Texas pond when there were the Houston and San Antonio puddles, the San Antonio puddle later developing into the Alamo pond.

Settle Russian Company Affairs

COLUMBUS, O. — The common pleas court here has approved an entry by which the United States government will be given \$115,936 out of a bond of \$100,000, and \$23,000 interest, which the Northern Insurance Company of Moscow, Russia, deposited with the Ohio division of insurance 30 years ago. The company ceased to do business in Ohio and the court was asked to dis-

tribute the bond and accrued interest. The Russian government has assigned the assets to the United States government.

Drill Tower in Mattoon Shows Insurance Initiative

Dedication of a drill tower in Mattoon, Ill., for the training of volunteer firemen throughout the state is to take place Aug. 13, with ceremonies in which fire insurance interests will be prominently represented. Construction of the tower was largely made possible through the efforts of H. R. Checkley, president

of the Mattoon local board. He assumed the responsibility for financing the project and A. C. Huckaba is supervising the construction. The state has agreed to operate a school for volunteer firemen there on a permanent basis.

On Aug. 13, there will be a luncheon at which the special guests will be H. K. Rogers of the Western Actuarial Bureau and the state fire marshal and his assistants. In the afternoon the fire marshal group together with Mr. Rogers and city officials will make an inspection of the city and later that afternoon Mr. Rogers will address the Boy Scouts. Then there will be a drill team

demonstration on the use of the tower and a demonstration of extinguishing fire bombs. A barbecue meal will be served on the city hall grounds. Fire insurance field men and local agents from other cities are being urged to attend. Mr. Checkley has been in the insurance business 30 years and is a leader in his community. The cost of the tower is about \$2,500.

Frank W. Eames, general agent of Factory Association of Hartford, celebrated at his office in Boston completion of 40 years' service with the organization.

What can I do ...

to keep my agency in step
with today's changes and—to meet tomorrow's needs?

You must have asked yourself that question a hundred times. Do you know the answer?

Of course we all realize that business today isn't "as usual." There are radical changes afoot—and it's the men who adapt themselves to these changes who will lead in the world of business in the future.

But you also realize that changes can't be met successfully by a snap of the fingers. It means a lot of work. It means careful analysis of the local agency situation, your agency, your community, your customers and prospects, your advertising and selling methods. In fact, a thorough job will take a good deal of your valuable time.

But we're offering you another way of doing it. A simpler way and a more efficient way.

We will tell you how you can set your pace to today's conditions. How you can solve the problem of the decline in premium income resulting from tire and car rationing, dislocation and suspension of cer-

tain businesses, curtailment of non-defense construction, and the tightening on purse strings of your best customers due to heavy taxes and wartime contingencies. And—how you can get sales helps that will convince today's customers and prospects of the need for insurance.

All this you will find described in the booklet "Planned Progress." Send for it today.

BOSTON INSURANCE COMPANY

Please send me a copy of "Planned Progress." I understand that this request places me under no obligation whatsoever.

NAME _____

ADDRESS _____

CITY _____ STATE _____

87 Kilby Street, Boston, Mass.

OLD COLONY INSURANCE COMPANY

NEWS OF FIELD MEN

Grand Nest Meet to Cut Out Frills

TORONTO—When the Blue Goose grand nest has its annual convention in Toronto Aug. 25-27, most of the frills which attend usual conventions will be dispensed with, due to the war.

Plans for the convention are reported well advanced and embrace a comprehensive program in tune with the seriousness of the times. A. J. Mylrea, convention chairman, announces that the policy this year, in keeping with the war-time object of national economy, will be to keep delegates' and visitors' expenses to a minimum, particularly "incidental" expenses. To this end, all functions will be informal.

Some Recreational Features

Convention arrangements follow: Aug. 25, registration, golf, social gathering and reception; Aug. 26, opening ceremonies, model initiation, business sessions, afternoon tea and bridge for the ladies at the Royal Canadian Yacht Club, evening moonlight sail on Lake Ontario with dancing; Aug. 27, business session, luncheon, memorial service, good-fellowship banquet and dance with entertainment.

Trenbath Named to Head Seattle Blue Goose

E. W. Trenbath, special agent of the Norwich Union group, was elected most loyal gander of Seattle Blue Goose at the annual meeting held at Sand Point golf and country club. All other officers were advanced: Bruce Parker, Parker & Huff, supervisor; James Lockett, Washington Insurance Examining Bureau, custodian; G. E. Moore, Fireman's Fund, guardian; L. T. R. Snyder, Frank Allyn, Inc., keeper, and H. O. Price, Gould & Gould, welder.

New Members Initiated

In the morning business session, committee and administration reports were given and six new members initiated. They are: A. H. Moe, Royal-Liverpool group; K. G. Smiles and Harry Tressler, Toplis & Harding; W. D. Corbett, C. B. DeMille General Agency; James D. Ferguson, Tacoma, Fire Companies Adjustment Bureau, and E. R. Furman, Northwestern Mutual Fire.

W. L. Waters, Firemen's group, won low gross in the annual golf tournament and was awarded the Lee McKenzie trophy. A social hour was held and then the annual get-together banquet. P. J. Braun, retiring most loyal gander, was toastmaster and was presented a gift.

A special meeting will be held Aug. 3, but the weekly luncheons and monthly dinners have been discontinued until fall.

Chesapeake Blue Goose Reelects Officers

BALTIMORE—The annual meeting of the Chesapeake Blue Goose was held at the Country Club of Maryland. A number participated in a golf match during the afternoon, and the meeting was preceded by dinner. All the officers, with the exception of keeper were reelected. Robert W. Martin, National Union, is most loyal gander.

Earl Herbert, insurance attorney of Washington, was elected keeper.

It was reported that the following members of the pond have joined the armed forces: John Edelin, National Fire, is in the navy; Brice A. Moore, Jr., Home, is in the army; William A. Turner, Fire Companies Adjustment Bureau, has been commissioned a major in army aviation; Stratford McKenrick, Fire Companies Adjustment Bureau, has been commissioned a captain in the artillery, and Barry Townshend, Home, has enlisted in the aviation service.

Ill. Blue Goose Annual Meeting

James P. Jana, state agent of Hanover, was elected most loyal gander of the Illinois Blue Goose at the annual meeting Monday evening. The new supervisor is Don Campbell, credit manager of America Fore. E. M. Eichenberger, Royal-Liverpool, is custodian; John L. Hon of Rockford, state agent of Firemen's, is guardian; A. J. Meyer, Automobile, keeper, (reelected) and Sherman S. Leseth, Standard Accident, is welder.

P. J. V. McKian, Western Actuarial Bureau, has served as welder for the Illinois Blue Goose for a great many years. A few weeks ago he was struck by an automobile and although he is able to get about to some extent, it is not likely that he will be able to return to his office for some time. He was elected a life member of the pond and a message of greetings was sent to him.

Ralph Danforth, assistant secretary of Millers National, the retiring most loyal gander, gave a report of the year. Frank Cargill, North British & Mercantile, reported for the nominating committee and A. A. Knopp, New York Underwriters, conducted memorial services. Frederick Payne, New York Underwriters, president of the Indiana pond, was a guest.

The special agent of the F. B. I., who was scheduled to give a talk, was unable to be present but the motion picture, "Men of the F. B. I.," was shown. There was also shown an interesting picture on Alaska.

Ford Elected in Utah

SALT LAKE CITY—At the annual dinner meeting of the Utah-Idaho Blue Goose here officers were elected as follows: Most loyal gander, T. E. Ford, Hartford, succeeding W. J. H. Montgomery, Home; supervisor, A. S. Nicholls, Nicholls Adjustment Bureau; custodian, S. E. Rich, Glens Falls; guardian, H. S. Morr, Pacific Board; keeper, R. L. Salmon, Commercial Union; welder, J. C. Coryell, Fire Companies Adjustment Bureau. G. P. Mang, Home, was named grand nest delegate. The annual meet ended with an outing up Big Cottonwood Canyon.

Achenbach to Be Ind. Speaker

W. N. Achenbach, western manager of Aetna Fire and president of the Western Underwriters Association, will be principal speaker at the annual meeting of the Indiana Fire Underwriters Association next Monday at the Indianapolis Country Club. Roy P. Elder, Fidelity

Phenix, president of the association, will preside. This year, for the first time, members of the executive committee will be nominated from the floor and then elected. The result of this innovation will be followed with interest.

After lunch the rest of the day will be given over to recreation. C. B. Crist, North America, is general chairman.

Philbrick Elected Head of Carolinas Pond

At the annual meeting of the Carolinas pond at Charlotte, N. C., W. W. Philbrick, South Carolina Inspection & Rating Bureau, was elected most loyal gander; Jack E. Smith, Aetna Fire, Charlotte, N. C., supervisor; M. H. McCown, Automobile, Greensboro, N. C., custodian; James W. Bailey, Phoenix Assurance, Raleigh, N. C., guardian; Grady Turner, Hartford Fire, Columbia, S. C., keeper, and John F. Satterlee, Atlas, Columbia, welder.

Delegates to the grand nest meeting are retiring Most Loyal Gander M. L. Fuller, Atlantic Fire, Raleigh, and Mr. Philbrick.

Five goslings were initiated. The meeting ended with a banquet and dinner dance.

Manners New Head of San Francisco Blue Goose

SAN FRANCISCO—Herbert E. Manners, general manager National Automobile Club, was elected most loyal gander of the San Francisco Blue Goose at the annual meeting and banquet. John H. Martin, manager Standard Forms Bureau, was elected supervisor; Weldon L. Oxley, Springfield, custodian; Frank L. Ingersoll, National Automobile Theft Bureau, guardian; Paul B. Schlosser, Phoenix Assurance, keeper, and Harrison Houseworth, welder for the tenth consecutive year. Grand nest delegates are Mr. Manners and George M. Parrish of Hinchman, Rolph & Landis; alternates, C. W. Greene and Tudor J. A. Tiedemann.

The pond ended the year with a membership of 623, an increase of more than 50 over last year.

Burlingame Is Ohio Speaker

COLUMBUS, O.—J. H. Burlingame, Chicago, assistant general manager Western Adjustment, is to be the speaker at the annual outing of the two Ohio field clubs at Cedar Point, July 21-22. Plans for the outing were completed at a meeting of the officers here.

S. B. Fossett to New Hampshire

S. B. Fossett, special agent of National Fire working out of the Portland, Me., office has been transferred to New

Hampshire. His headquarters will be 58 Beacon street, Concord.

NEWS BRIEFS

R. A. Kenzel and C. E. Bleckley, respectively Wisconsin and Kansas state agent for Northern of London, are visiting the United States headquarters in New York.

The Nebraska Blue Goose held a dinner in Omaha in honor of Ben Butler of the Western Adjustment Company who has been transferred to Kansas City to be chief of staff of that office.

Paul M. Beattie, state agent; and William Kohnle, special agent, New York Underwriters, have moved to the Kenyon building, Louisville.

The Iowa Blue Goose held its last meeting for the summer. Luncheons will be resumed in September.

COMPANIES

Schlesinger Fills F. H. Williams Post

Frank A. Schlesinger, treasurer of Springfield F. & M., has now been elected second vice-president and a director of all the companies in the group, taking the place of Francis H. Williams, who died May 28. Mr. Schlesinger has been a director of Michigan F. & M. for the past few months.

Mr. Schlesinger joined Springfield F. & M. after graduating from the High School of Commerce in Springfield, Mass., in 1907. He was elected an assistant treasurer in 1919 and treasurer in 1920.

Both of Mr. Schlesinger's grandfathers were connected with the business. His paternal grandfather was at the head office of Springfield F. & M. in Civil War days. He subsequently went to Sweden and upon returning to this country became a local agent in Springfield. His maternal grandfather, L. O. Hanson, was chief engineer of the Springfield fire department and later had a local fire company named for him.

Reinsurance Corp. Dividend

A dividend of 7½ cents per share will be paid by Reinsurance Corporation of New York July 10 to stock of record July 1.

Secured F. & M. Correction

In the Underwriters Hand-Book of Indiana for 1942, recently published, an error has occurred in listing the information of the Secured Fire & Marine on page 57 whereby the company is shown as unaffiliated. It should be indicated



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that the company is a member of the Western Underwriters Association, it having joined the association when it started business.

CHICAGO

THOMAS COOPER PROSTRATED

Thomas Cooper, veteran special agent for August Torpe & Co., in the Insurance Exchange, Chicago, is seriously ill at his home. Mr. Cooper is one of the oldest men actively in the business and has had a most interesting career. During recent months he has had attacks and the last one has floored him. He is familiarly known as president of the Early Morning Club as he has been wont to get down to the Insurance Exchange before 7 a.m., waiting for Elevator Operator Bill Clark to arrive and take him to his office. Then he would go down and have breakfast in the Tea Room on the ground floor. Mr. Cooper has always been known as a very kindly, sympathetic man, especially in connection with people who are ill or in distress. He is an ardent member of the Masons and has conducted many Masonic funerals.

His son is Geo. W. Cooper of the Western Adjustment in Chicago.

BOARD GOLF CONTEST STARTS

The first elimination matches in the Chicago Board's annual championship tournament will be played at North Shore Country Club this week by eight men who qualified in the annual board outing and golf match held at Bob-O-Link country club. These eight are W. H. Stevens, Fred S. James & Co.; E. S. Rand, Eliel & Loeb; Wade Fetzer, Jr., W. A. Alexander & Co.; Ivo W. Buddeke, head of his own agency; Hamilton M. Loeb, Eliel & Loeb; Roy Strom, Strom, Carlson & Lauer; C. O. Swanson, Rollins-Burdick-Hunter Co., and A. C. Croxson, of the same office. The eight will pair and eliminate four. Later the four will play to select two who will fight for the championship.

R. J. Newhouse of Newhouse & Sayre, New York, and George Edmondson, Tampa, Fla., president American Association of Insurance General Agents, were guests at the outing which was conducted by the fellowship committee headed by L. J. Fischer, Home.

John M. Timmons, office broker with Aetna Casualty and a member of the committee of the Insurance Brokers Association of Illinois cooperating in setting up the new Chicago Board plan, hung up the lowest gross score, an 83. Mr. Newhouse had an 87. The eight winners in the tournament elimination had these scores: Messrs. Stevens and Rand 85, Fetzer 86, Buddeke 88, Loeb 90, Strom, Croxson and Swanson 92.

CLASS 1 FIDUCIARIES

At least four class 1 or metropolitan supervising agents in Chicago have qualified as fiduciary agents and are issuing War Damage Corporation policies and keeping the necessary records and accounts. Critchell, Miller is acting as fiduciary agent for Camden Fire; Associated Agencies for Empire State, Cloyd, Gielow & Dudley, for Granite State, and Fred J. Sauter for New Hampshire Fire.

CHICAGO WAR COVER PARLEY

The Western Conference of Special Risk Underwriters sponsored an informal meeting in Chicago for discussion of various points of interpretation in connection with the war damage insurance program. About 60 attended and the discussion was animated. On several points opinion was very sharply divided. The

original intention was to send out minutes of the session in mimeograph form, setting forth consensus of opinion on various elements of the plan but that idea was discarded because in just a few days so many changes had been made that much of the material that was brought out at the meeting was dated. Will S. Ellis, assistant Chicago manager of Royal-Liverpool, presided.

SOME EATING PLACES CLOSED

A number of field men who travel over their territory are impressed with the fact that several first-class eating places that are located a distance from cities and which rely on automobile people for their trade are closing up. This means that there may be some moral hazard involved or at least the property will not be in operation as it was before. A careful report is being made of such places to insurance headquarters.

FINDS MORTGAGOR MUST BUY

The Chicago Mortgage Bankers Association issued a statement that the standard insurance clause in a mortgage imposes the responsibility of providing war damage insurance upon the mortgagor. The committee that was appointed to take up the question stated that War Damage Corporation insurance is "both desirable and necessary from the stand-

point of the owner of institutionally owned real estate and investors of real estate mortgages." Chairman of the committee was L. D. McKendry.

COUNTRY & TOWN OUTING

The Country & Town Club, organization of employees of the Chicago and Cook County and farm departments of Home, to the number of 110, went for a moonlight sail Monday evening on Lake Michigan on the City of Grand Rapids. The organization holds some sort of a get together each month and has started the publication of a monthly magazine, "Cow-Tow." Copies of this publication are sent to the former employees now in the armed services. E. W. Radius, underwriter of Home Indemnity, is president.

NEW SOURCE OF RUBBER

E. D. Loring, Chicago, resident vice-president of American Automobile, the other day conceived an idea that produced a substantial supply of rubber from the thereto untapped source of downtown office buildings, in the rubber salvage program. He caused an extensive search to be made of his office and collected such articles as rubber seat covers, fenders of waste baskets, rubber mats under cuspidors, pencil erasers, novelty ash trays, discarded overshoes in

the wardrobe and a pile of about 100 pounds was accumulated.

Mr. Loring passed the idea on to Mayor Kelly and the director of salvage in Chicago set about getting other office buildings interested. The Chicago Board of Underwriters sent out a bulletin to members Monday, suggesting that they look about their offices and see what rubber they could produce.

LOYALTY OFFICE MILK BAR

One of the most busy features in the western department of the Firemen's group at Chicago is the so-called "Milk Bar" on the 11th floor of 120 South La Salle street where the general office is located. A refrigerating device has been installed and bottles of milk are placed in it, furnishing sweet milk, buttermilk or chocolate milk. An employee puts 5 cents in the slot and gets a bottle of milk that he desires. This is one of the very popular places for employees.

BIG WAR DAMAGE ORDER

The Commonwealth Edison Company and People's Light, Gas & Coke Co. of Chicago announced that they have applied for war damage insurance on a 90 percent coinsurance basis. The Edison company is insuring all tangible property except transmission and distribution lines and certain other items

YOU NEVER KNOW WHO'S LISTENING

It is the duty of every insurance man and woman, as it is the duty of every American, to be particularly careful what he says and where he says it. The insurance business is so closely interwoven with manufacturers of essential army and navy supplies, that it is natural those in the insurance business frequently know in advance of new plants, additional employees, vital machinery about to be installed, and similar information. Engineers, inspectors and claim men have intimate knowledge of men and machinery in many a plant which is a cog in the wheel of the machinery which is making America the Arsenal of Democracy. Don't tell all you know. Don't repeat any information about any risk in any public place. Don't give the enemy the tip-off. You never know who's listening. Your best friend may be the sort of a person who likes to show off his knowledge, acquired from you, by saying, "Why an insurance man told me just the other day . . ." Get the proper information to the proper authorities as promptly as possible. *But make absolutely sure it gets nowhere else.* Such warnings have appeared before and will appear again. They should be repeated again and again and again.

You Never Know Who's Listening



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that have a similar spread of risk. The gas company will cover all of its properties "above ground." Marsh & McLennan are the producers.

GOVERNING COMMITTEE MET

The governing committee of the Western Underwriters Association met in Chicago Wednesday of this week. This will probably be the last meeting during the summer season. Almost all the members outside Chicago were present.

McKey & Poague, Inc., 1172 East 63rd street, Chicago, who have been actively engaged in the real estate and insurance business for over 50 years, announce the appointment of T. A. Smith as manager of its insurance division. Mr. Smith has been assistant manager during the past 15 years. R. B. Bohman is named assistant to Mr. Smith.

IN U. S. WAR SERVICE

L. George Benjamin, Jr., insurance commissioner of South Carolina, is due to be inducted into the army July 16.

When the roll was called at the Denver convention of the National Association of Insurance Commissioners, Mr. Benjamin was not present and the announcement was made that he could not attend because he was entering army service. As a matter of fact, Mr. Benjamin did attend the Denver convention but he arrived too late to answer the roll. He has been in office just a few months, having been elected to succeed Sam B. King.

Edwin S. Perrin, who has been nominated to be a brigadier general and if confirmed would become the youngest general officer in the army, is a son of Charles E. Perrin, banker and local agent at Custer, S. D. Col. Perrin lately has been assistant deputy chief of staff to General Brett, air corps chief.

Russell H. Hart of the Hart & Hart Agency of Helena, Mont., general agents for National Surety, National Surety Marine, Phoenix Indemnity and United Firemen's, has been inducted into the army at Salt Lake City. He is a past president of the Montana American Legion and a past national officer of the 40 and 8. He was honored upon his departure at a party given by the American Legion.

Alan K. Bolton of Fargo, N. D., state agent of National Fire, has been called to active duty as a major and left for Lowry Field, Denver. An infantry officer, he will go on non-flying duty with

the air corps. He has held a reserve commission since the first world war. Major Bolton is past president of the North Dakota Underwriters Association and past president of the North Dakota Fire Prevention Association.

Hugh Wolff, son of Allan I. Wolff, vice-president Associated Agencies of Chicago, enlisted in the service about seven or eight months ago and is now stationed at Miami, Fla. He will soon finish his training and on graduation will be a second lieutenant.

Talt Stealey, senior insurance license investigator in the Los Angeles office of the California department, has been inducted into the army and has reported at Fort McArthur.

W. E. Rollo of Rollo, Webster & Co. agency in Chicago, a corporal in the 131st infantry, is located at Ft. Brady, Mich. He was formerly stationed in Camp Forrest, Tenn.

George V. Whitford, formerly marine special agent for Fire Association in Detroit, and son of George S. Whitford, state agent and adjuster for the Standard, Main & Brewster general agency, Denver, is now an ensign in the navy.

Warren Munro, Dooley & Co., Portland, Ore., has joined the army.

Col. George C. Dutton former field man for Connecticut Fire in Portland, Ore., is now with the army in Australia. His son, Albert, is also there in the air corps.

Harry F. Albershardt, Western Adjustment, Columbus, O., who is a reserve officer, has reported for duty as a first lieutenant in the quartermaster corps at Lowry Field, Denver. Mr. Albershardt is welder of the Ohio Blue Goose.

Frederick R. Hayes, son of H. K. Hayes, Detroit local agent, has received a commission as first lieutenant and is to be stationed at Camp Edwards, Mass.

Brian T. Thompson, partner of Neare, Gibbs & Co., of Cincinnati, nationally prominent river marine agency, has joined the coast guard. He is now assistant captain of the port of Cincinnati.

The two sons of O. B. Brown, secretary western department of Firemen's, are giving a good account of themselves in the armed forces. **Budd G. Brown**, who was field man in Michigan and Indiana for Marine Office of America before entering the service is an ensign in the navy and is currently stationed at Notre Dame University. **Robert B. Brown** just recently got a regular commission as second lieutenant in the marines and has been assigned to sea duty. He is now at Norfolk, Va. He was working in the western department of Firemen's at the time he entered the service.

The following men associated with **General Insurors, Inc.**, of St. Louis are now in the armed service: Ensign **Roderick W. Rombauer**, navy air corps; **John Patrick Wolfe**, Joseph Klimas, Ralph Ohsiek, all in the Navy; Second Lieutenant **Ralph Winkelmeier**, Sergeant **Raymond A. Kuhn**, and privates **Larry E. Reynolds**, **Eugene L. Marcks**, **Frank W. Phelan**, **Frank J. Leber**, Army.

Eugene J. Thornhill and **Harold Smith** of St. Louis F. & M. are in the Army.

Fred W. McFarland, manager casualty department of Harry Koch Agency, Omaha, has been notified that his application for navy service has been accepted. Ten of the 25 male employees of the agency have joined the armed forces.

John G. Kunkle of Columbus, O., state agent for Washington Assurance, has been appointed an inspector of Naval engineering material under the Navy department.

Carl A. Woidich, Louisville agent, is stationed with the army signal corps at Camp Crowder, Mo.

J. W. Butler, immediate past most loyal gander of the Oklahoma Blue Goose, has left for San Pedro, Cal., to enter the navy as quartermaster, first

class. He is succeeded by H. W. Cooley, Travelers, as most loyal gander. No successor will be appointed to Mr. Butler as assistant superintendent of the Oklahoma Audit Bureau. An attempt will be made to absorb the work in the office and hold his position for him till his return.

George Wray of the Dennis-Hinkle & Wray Agency, San Antonio, is now a captain in the army air corps at Randolph Field, Tex.

W. E. Robinette and **C. E. Kensing**, engineer-special agents of **Home of New York** in Louisville will report at Norfolk, Va., naval base to train as lieutenants, junior grade. Both were formerly with the Kentucky Actuarial Bureau and it is understood their work will be along inspection and fire prevention lines.

Frank H. Finnen, Los Angeles, local agent, has joined the army. He is a first lieutenant and is now stationed at Salt Lake City.

Ensign **James R. Murphy, Jr.**, former home office staff member of Fidelity & Casualty and son of Ray Murphy, assistant general manager of the Association of Casualty & Surety Executives, was married June 25 at Virginia Beach,

Va., to Miss June Hyland of Tama, Ia. The two attended the University of Iowa. During the past few weeks Ensign Murphy has been taking a course at the armed guard school, Little Creek, Va. His father was captain of a machine gun company in the first World War.

Earl G. Loux, former manager of the casualty department of Travelers at St. Paul, has enlisted in the army air corps and has been commissioned a first lieutenant. He is now at a training school at Miami Beach. He joined Travelers in 1929, going to the Dayton office as assistant manager in 1937, and becoming St. Paul manager in 1939.

Roy Brackman of the Ruehl-Brackman Agency at Kirkwood, Mo., has been commissioned a major in the 14th coast artillery. He has been in the service the past 1½ years.

John A. Soderberg, America Fore special agent in Seattle, has been commissioned a lieutenant in the navy and is on active duty. C. J. Calloni of the San Francisco office is at present in Seattle on special assignment. Seattle offices have been moved to 1016 Alaska building.



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War Cover Is Now Engrossing Task

(CONTINUED FROM PAGE 1)

Some 260,000 blanks were received in the first shipment from Washington on Wednesday and these were quickly disposed of about greater Boston. It was expected 400,000 more blanks would be received Friday night and the Exchange prepared to keep a force at work all day Sunday making shipments to agents. Even this amount is not expected to meet the demand.

LIFE COMPANIES ACT

DES MOINES—Des Moines life companies are encouraging their borrowers to take out war damage insurance at least up to the unpaid portion of the loan for the benefit of both parties. Central Life of Iowa has written its loan correspondents to request FHA borrowers to take out the insurance up to the amount of their unpaid loans. The company is not making the same request as yet on conventional loans. The company correspondents are reporting, however, that many of the home borrowers are inquiring about the coverage. Equitable Life of Iowa has made a similar request to its loan correspondents, only for a portion of the country including correspondents at Detroit, Seattle, Portland and Los Angeles.

COVER SACRAMENTO SCHOOLS

SACRAMENTO, CAL.—One hundred percent war risk insurance on all Sacramento public school buildings was authorized by the school board. The insurance will cost \$8,500.

TEXANS MUCH INTERESTED

DALLAS—In seven of the larger cities of Texas, local agents have been standing in line at the offices of the local exchanges waiting to get war damage application blanks; the Dallas Insurance Agents Association distributed 20,000 sets of blanks in 48 hours. The Insurance Forms Department of Texas, under the supervision of R. B. Cousins, Jr., Austin, is distributing the applications and forms in Texas and as a matter of convenience, large supplies were sent to the local exchanges in Dallas, Fort Worth, San Antonio, Houston, Galveston, Beaumont and Corpus Christi. The demand for blanks continued all week. All agents outside of the larger cities had to write to Austin for applications and forms.

Mass meetings of local agents and field men have been held in various places to discuss the application blanks and the rules and regulations applying to same. In Houston, American General bought radio time so that members of the Insurance Exchange of Houston could conduct a war damage insurance forum.

QUALIFY AS FIDUCIARIES

NEW ORLEANS—Henry A. Steckler, Inc., and Godchaux & Mayer, Ltd., New Orleans general agents, have been named fiduciary agents for the issuance of war damage insurance.

BINDERS WELCOME IN SEATTLE

SEATTLE—Northwest agents and brokers were greatly relieved to learn that the WDC had authorized fiduciary agents to accept binders. The producers here had virtually no applications as late as June 27. Fiduciary agents in Seattle were advising producers to attach payment of premium to each binder, thus avoiding any possible credit loss. Any binder not followed by the regular application before July 31, will be charged for at the pro rata earned gross premium. This would place the responsibility on the fiduciary agent to collect the earned premium.

As late as June 27, the majority of producers and fiduciary agents here had received no application forms. Those who did receive forms had only a limited supply of Form 2 and none of Form 11. The Standard Forms Bureau in San Francisco, which was designated to sup-

ply applications to the Pacific Board territory, sent out a requisition form dated June 17. These, however, did not reach most agents in the Seattle area until June 26. Because of the delay in transmitting requisitions to San Francisco, which would then have to be filled, supplies in quantities were not expected to reach the Northwest until the end of the month or later.

NOT TAXED IN KENTUCKY

FRANKFORT, KY.—Premiums paid for War Damage Corporation insurance are exempt from the Kentucky state tax of 2½ percent, the insurance division announces.

Companies licensed in Kentucky are forbidden to write any war loss policies except those provided by the War Damage Corporation.

The state insurance division in announcing this on Tuesday, declared the governmental agency's policies cover damage caused by enemy attack and by United States forces in resisting attack.

"Because of the present patriotic program of the federal government in providing this insurance through the facilities of the War Damage Corporation; because of the lack of experience upon which to determine proper rates and reserves, and because of the extreme hazard involved, you are hereby notified that no fire insurance company licensed to transact business in Kentucky may issue insurance in Kentucky covering loss from enemy attack and armed forces in resisting enemy attack except through the facilities of the War Damage Corporation," Director Goodpaster states.

MAY INSURE STATE BUILDINGS

PORTLAND, ORE.—Attorney-general VanWinkle has ruled that the state board of control is empowered to purchase war damage insurance on state buildings. Buildings under the supervision of departments or commissions must be insured by the department or commission, the attorney-general ruled. The board of control met to discuss the opinion.

ARRANGEMENTS IN MICHIGAN

LANSING—Through an arrangement agreed upon by the state administrative board, the state of Michigan is purchasing between \$75,000,000 and \$100,000,000 of war damage insurance through the Michigan Association of Insurance Agents. Waldo O. Hildebrand, secretary-manager of the association, attended the administrative board meeting and explained the plan whereby the coverage is to be placed with no commission accruing to any individual agent. The state's property is being insured under a blanket form, temporarily by binder, with an inventory to be made immediately. Carl Trager, Lansing, treasurer of the association, will sign the policy and the association will get the commission. The premium will amount to between \$50,000 and \$60,000.

Mr. Hildebrand was advised to open negotiations with the University of Michigan board of regents and the state board of agriculture, control body for Michigan State College, with a view to placing coverage on these institutions' properties.

All of the coverage, it is contemplated, is to be placed on a 90 percent coinsurance basis.

BIG FORUM IN NEW YORK

NEW YORK—To handle the deluge of applications received for war indemnity virtually all fire companies were open here until midnight Tuesday. The work had been admirably arranged for and the operations went forward rapidly and smoothly.

The forum on war damage insurance conducted in the assembly room of the New York Board last Friday was a great success. It was sponsored by the Association of Local Agents of the City

of New York. Answers to the many questions that were put from the floor were given by H. C. Conick, assistant U. S. manager of Royal-Liverpool; E. G. Crapser, secretary of the Meserole companies, and M. M. Pease of the Vessel agency. Although Mr. Conick was a member of the committee that worked with the Reconstruction Finance Corporation in producing the rules and regulations, he emphasized that the opinions that he expressed were not to be regarded as authoritative.

Although this was a public meeting, the insurance publications were requested to refrain from setting forth the questions and answers on the theory that the interpretations given there might be at variance with official rulings of the War Damage Corporation and hence might cause additional confusion. An attempt was being made to have the War Damage Corporation authorities go over the transcript of the meeting and either give official sanction to the answers as given there or to provide their own interpretations.

Rule 23 has been amended by eliminating the \$100,000 limit originally imposed for furs and jewelry for commercial dealers, placing the items under a different rate schedule. A graduated rate for coverage in excess of \$100,000 on growing crops and orchard has been

established. Through amendment to Rule 26, indemnity for standing timber is provided at a rate of 15 cents, with 100 percent coinsurance mandatory.

SUPPLIES TO ALASKA

J. H. Martin, manager of the Standard Forms Bureau of San Francisco, sent by air express a preliminary supply of War Damage Corporation applications to 61 agents in Alaska. The shipment was held up in Seattle because of lack of space on planes. Arrangements were then made to send the packages airmail. So far as Alaska is concerned, the war damage insurance will become effective as of the mailing date stamped on the envelope by an Alaska postoffice.

Horatio Kelsey Retires

Horatio N. Kelsey, who became agency manager of Security Mutual Life of Binghamton when that company last fall reinsured the Insurance Clerks Mutual Benefit Association of which he was president, has now retired. Mr. Kelsey had a long career in fire insurance before taking up the life insurance work.

Alfred L. Stebbins of the Cobb & Stebbins general agency has been transferred from Salt Lake City to Albuquerque, where he will be in charge of the entire state for his company.



AGENTS

Watch for our July
"Broadside" for the latest
authentic news about
**WAR DAMAGE
INSURANCE**



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OF NEW HAVEN OF NEW HAVEN
THE CONNECTICUT INDEMNITY COMPANY

Use of War Binders Is Relief

(CONTINUED FROM PAGE 1)

erty and a brief description and a statement that the binder is valid only until midnight July 31.

It is believed that some mortgagees arranged to get protection for their interests under a binder but they will give the individual mortgagor an opportunity to buy insurance individually and then during the month will make whatever adjustment is indicated.

A large proportion of the applications that have arrived at company offices have been improperly completed because the producer had signed his name in the lower left hand corner in the place that should be signed by the fiduciary agent. Some of the companies declined to accept these applications and sent them back to the producer but most companies took the position that this was not a material error and they merely crossed out the name of the producer at that point and inserted the name of the fiduciary agent.

A frequent deficiency in many of the war damage applications already received consists in failure to evaluate the automobile when written along with a dwelling. Very often the necessary particulars to identify the automobile are given but there is no statement of value put down for it. The companies hold that this must be corrected and the applications are being returned.

Several Questions Answered

The Chicago office of Phoenix of Hartford encountered several practical questions of interpretation of the war damage rules and they telephoned to the WDC in Washington and got an official answer from J. Victor Herd, assistant to the vice-president of the America Fore companies, who is spending much time on the war damage project.

One question is: "What rate shall be charged for a passenger automobile, if written only on the passenger automobile?" The answer is 15 cents with the 100 percent coinsurance clause. It takes the same classification as applied to commercial autos.

Then there was the question: "What rate applies to a passenger automobile for an individual who lives in an apartment or hotel?" The answer is the same rate that applies to his household furniture even though the automobile is scheduled separately and valued. This answers a problem that has come up frequently. At the meeting of the Risk Research Institute in New York, one of the speakers expressed the belief that a tenant in an apartment house whose car was kept in a public garage, for instance, could not insure the car along with his household furniture but the official word is that he may do so just as may the occupant of a dwelling.

Laundries, Printers, Elevators

Another question was asked as to what occupancy classification shall be

used for laundries, printers and grain elevators. The answer in each case was manufacturing and the WDC is interpreting manufacturing as any use of machinery whatsoever.

Then there is the question: If a man has various properties in the same city can he have separate policies? The answer is "Yes."

War Damage Corporation holds that the intent originally was to issue one policy for each insured, irrespective of the location of the insured's plant. However, due to various complications it was finally decided that separate policies could be issued when plants were segregated. If a plant is of such size and nature that it covers a number of square blocks it is the interpretation of the WDC that it should be held as one property.

Then there was a question whether an agent of a property can sign an application for insurance and the answer is that he can do so if he has the proper legal authority.

Then there was a question whether a mortgage interest in schedule property can take the individual owner under the loss payable clause for each individual property. The answer is "Yes," provided the mortgagee has the legal authority to purchase this type of insurance.

First WDC Memorandum

In the No. 1 memorandum to fiduciary agents signed by A. T. Hobson, secretary of the War Damage Corporation, an important point was cleared up in reference to insuring the mortgage interest. There was a seeming conflict in the rules. Rule 22 of Regulations A stated that the coinsurance clause contained in the policy does not apply to dwellings or farm properties and there is a statement to the same effect in lines 96-98 of the policy. But Rule 9 of Regulations A states that the pro rata distribution clause in the policy applies to blanket insurance written subject to less than 90 percent coinsurance and Rule 10 states that if blanket policies are issued covering mortgage or other financial interests, the provisions of Rule 9 relating to blanket insurance shall apply.

The War Damage Corporation has determined that, notwithstanding statements in Rules 9 and 10, no coinsurance requirement shall be applicable to blanket coverage on dwellings or farm properties (or to mortgagee or other financial interests therein) and no coinsurance credit shall be available in connection with the rates for such blanket coverage.

Also, the memorandum stated that a fiduciary agent may issue policies only in the territories in which the fiduciary agent is legally authorized to do business as an insurance company.

Also, it has been determined that

where the "effective date" stated in the policy is July 1, the insurance shall take effect at midnight of June 30, notwithstanding the provisions of lines 8 and 9 of the policy.

Most Forms Available

All of the WDC forms except those for additions, assignment of interest and reduction in coverage made their appearance this week in many localities.

WDC Form No. 3 is the application for transit insurance. The occupancy code is already filled in as No. 12 and there is a space for checking whether the insurance is on an annual, quarterly or trip basis; the highest aggregate value amount of policy must be stated. The rate is printed in the form, it being 3 cents per \$100. Then there is space for entry of the premium and commission. Then is given the name and address of producer and fiduciary agent, there is a place for the period of the policy, description of the policy to be covered. If the policy is being written for an annual term there must be stated the aggregate value of property of the applicant shipped by, to, or for account of the applicant during the last 12 months, during the last six months, during the last three months. If the applicant has been in business for less than three months there must be given an estimate of such values for the next three months. If the policy is for a single trip there must be given the value to be shipped, approximate date of shipment, point of shipment and point of destination and carriers to be used. There is provision for inserting the loss payable information, if any. The premium on an annual policy is computed on the highest amount of (1) values shipped during last 12 months (2) twice the values during the last six months or four times the values of the last three months.

Extent of Transit Coverage

The policy covers the property while in course of transportation by land, water, or air conveyances, or during any delays or storage incident thereto, including general average and salvage charges irrespective of percentage; it being understood that the policy does not cover property while detained by or at the instructions of the insured. The policy covers property only while in transit within the continental United States, Alaska, Virgin Islands, Hawaii, Porto Rico and Canal Zone and only between points located within any of the foregoing.

Limited to Harbors, Inland Waters

The policy shall cover the property while in the course of transportation by water, if shipped under approved bill of lading issued by a land or air carrier, or if contained in or on a land conveyance, while in the course of such transportation by water, but only within the limits of the harbors or other inland waters of the United States, as defined pursuant to section

2 of the Act of Congress of Feb. 19, 1895, and set forth in the Pilot Rules for Certain Inland Waters, as issued by the Department of Commerce, or while confined to the Great Lakes (including the waterways connecting them and their harbors and tributaries in the United States). The policy shall not cover cargoes on ocean going coastwise, intercoastal or overseas vessels in the United States ports or otherwise. Lines 72-98 inclusive of the policy are inapplicable and are deleted.

Builders Risk on Hulls

Application form No. 4 is for builders' risk on hulls. The occupancy code is printed in the form but the construction code must be inserted along with the completed contract price of hull and/or machinery, amount of policy, rate, premium and commission.

There is a statement on the back of the application that the policy shall cover the vessel or vessels including all materials, equipment and/or appliances thereof and including staging, scaffolding and similar temporary construction, the value of which is included in the contract price. The insurance covers the vessel only while under construction until delivery by the builder or sailing on delivery or trial trip, whichever shall first occur, while confined to the limits of the harbors or other inland waters of the U.S., etc. There shall be no recovery for a constructive total loss unless the expense of recovering the vessel and restoring her to the condition she was in prior to the loss would exceed her value in that condition, which value shall be determined by applying to the completed contract price the percentage of the vessel which was completed on the ways, while being launched or after launching as the case may be at the time of loss and no claim for a constructive total loss shall exceed the policy's proportion of the value so computed, plus the policy's proportion of any damage to material insured under the policy and not yet installed in the vessel, plus any salvage and special charges, and labor expense.

Material of U. S. Government

It is agreed that the policy does not cover any material intended for the vessel furnished by or for the account of or on behalf of the United States government, the cost of which is not included in the value used for the purposes of rating the vessel. The vessel shall be valued at the completed contract price stated in the application which shall include all materials, equipment, and/or appliances at the premises and the insurance shall pay the same proportion of any loss that the amount insured under the policy bears to the completed contract price. Lines 72-98 inclusive of the policy are deleted.

Form No. 5 is for cargo stored afloat. The occupancy code is printed in the application but there must be given the construction code, declared value, amount of policy, rate, premium, commission, description of property and the

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waters upon which the vessel is confined.

The craft in which the cargo is stored must be confined to the limits of the harbors or other inland waters of the U.S., etc. The insurance shall include general average and salvage charges. The cargo shall be valued at the amount stated in the application and the insurance shall pay the same proportion of any loss that the amount insured bears to that value. Lines 72-98 inclusive of the policy are deleted.

Form No. 6 is for hull coverage and there must be inserted the construction code, hull and machinery, declared value, amount of policy, etc. There must be a description of the property, statement of the purpose for which the vessel is used, (whether for storage, housing, manufacturing or generating power). The policy covers only while the vessel is navigating or laid up afloat or on shore within the limits of the harbors or other inland waters of the U.S., etc. Any deviation beyond the navigation limits shall suspend the insurance coverage during the period of such deviation and until the vessel returns in good safety to within the navigation limits. No recovery for a constructive total loss shall be had unless the expense of recovery and repairing of the vessel shall exceed the insured value. The insurance includes general average and salvage charges.

Form No. 7 is the application for growing crops and/or orchards. There is a provision for giving the name of applicant, mail address, location of property, occupancy code, amount of policy, rate, premium, commission, description of property, loss payable, applicant's interest in the property. Instructions on the reverse side state that the location must be given, nature of crops or orchard (e.g. "wheat," "apple," etc.) approximate acreage and estimated yield of each crop or orchard.

Need But One Signature

An extremely important decision of the War Damage Corporation was announced by President W. L. Clayton, Tuesday. This decision greatly expedited the completion of applications. It is that although it is important to include the name or names of all insured in the application, it is necessary to get the signature in person of only one insured or of a person acting for him.

J. D. Erskine, secretary of the Insurance Executives Association, prepared a list of questions and answers on certain phases of the procedure. It is not stated that these answers have been approved by the War Damage Corporation but the assumption is that they are authentic. This memorandum gave many insurance people the first notification that the original intention to limit the amount of commission that the producer might receive from business written for any one insured to \$1,000 had been changed. The question was: If an owner has six different properties in one city, with varying occu-

pancy and construction, can six policies be issued? The answer was that separate policies can be used.

Then there was the question whether Rule 2 of Regulations A means that only one policy is permitted for an assured on all properties of that assured (at fixed locations), irrespective of where the properties are located, or does it mean that only one policy on each property (or group of policies if written blanket) shall be issued to an assured for any of the named types of coverage as listed in that paragraph? The answer was that separate policies can be used.

Original Intention

The original intention was to permit only one policy to be issued to an assured including subsidiary corporations. There could be one policy for each type of application, i.e., properties at fixed location on land, hull, transit, cargo stored afloat, growing crops, marine builders' risk but there seems to have been a complete reversal and the \$1,000 maximum commission limitation is largely nullified.

Other questions and answers put out by Mr. Erskine included: If a group of buildings at one location are being written blanket and the floor area of the entire group (on a combined basis) is more than 75 percent fire-proof, would the fire-proof rate apply, or would the highest rate of any independent building apply to the whole? The answer is: If more than 75 percent is fire-proof, fire-proof rates would apply.

Then there is the question: The rate applying to manufacturing risks includes all "structures not otherwise specifically provided for." The rate on non-manufacturing risks includes "buildings not used for manufacturing." Does this mean that if there is any manufacturing (no matter how small) carried on in a building that such building and all contents (including non-manufacturing tenants) take the manufacturing class rate. The answer is "No." Each would carry its own particular rate.

Another question is: If coverage is desired on a type of risk for which there is no code number such as an oil refinery, greenhouses, it is our opinion the occupancy classification would be controlled by whether it is manufacturing or non-manufacturing. Is this correct? The answer is "Yes."

Difference in Interpretation

Then there is this question: If an honest and sincere interpretation of the rules is given by a fiduciary agent to an assured or producer and such interpretation results in the assured giving certain classification or code number in his application, is it possible that either the adjuster or WDC might disagree at the time of loss with this decision and as such deny liability.

The answer is that if an honest and sincere interpretation is given there would be no question of liability.

Another question is: Can dwelling,

garage and other out buildings be insured under one item or must the dwelling, garage and other out buildings be scheduled under form No. 11? The answer is that all can be assured under one item.

There is this question: In identifying coverage for a motor vehicle, is it necessary to give the make of automobile, year, model, motor and serial number? The answer is that proper description of the automobile including year, model, motor and serial numbers should be given on form No. 2.

In a multiple occupancy building containing mercantile and manufacturing, what is the rate on contents of a mercantile tenant in the building? The answer is that the contents would carry the mercantile rate.

Surety people are holding informal discussions as to war damage coverage for securities, but have not formulated a concrete plan, stating their inability to do so until the attitude of the WDC as to indemnity of such character be determined.

FORM LETTERS ON ERRORS

NEW YORK—So many war damage applications have to be sent back to producers because of errors that companies are working up form letters to simplify the job. This was brought out at the special meeting of the Insurance Accountants Association held here on war damage procedures. Since having to return the applications necessarily holds up issuance of the policies and since a ruling now permits acceptance of binders, the plan is to consider that the risk is automatically bound where the application has to be returned because of error in filling it out.

The most common error is for the agent or broker to retain the ticket marked "4." This ticket is attached to the sheet marked "3" which he retains as his record and it is easy to forget to detach the ticket from the rest of the sheet. Other errors include failing to fill in all the required data, using the wrong rates, and sending applications to the wrong companies. Some applications have even been received where the application was made out for one company and the check drawn to another company not even in the same group.

Leadville Landmarks Destroyed

Fire which swept through the downtown section of historic Leadville, Colo., destroyed the old mining town's court house—a landmark since 1879—and did damage estimated at \$100,000. Three other ancient buildings which were erected at the time Leadville first became a boom mining town also were leveled. The courthouse was insured for \$17,500, but the other buildings were not covered by insurance.

A plaque in the grade floor offices of North British & Mercantile lists the names of some 50 employees who have entered the armed service. It is surmounted by the American eagle, and at the bottom of the scroll are the words

Makes Suggestions to Buildings Housing Insurance Offices

The Department of Justice has made suggestions to office buildings where there are insurance tenants whose business might reveal valuable information to the enemy, that greater protection be made of these offices after regular business hours during the war time emergency.

The Department of Justice suggests that each person entering or leaving the building between 6 p. m. and 7:30 a. m. and 3 p. m. Saturdays to Monday morning register with the elevator operator on duty at the time of arrival, the office visited and the time of departure from the building. Most buildings have installed gates closing stairways during these hours.

Relieve Sureties in Renegotiated Contracts

The surety interests have come to an agreement with the War Department, Navy Department and Maritime Commission as to liability under contract bonds in connection with so-called renegotiated contracts. Under recent legislation, the government may recoup from contractors whose profits have proved to be excessive under the original contract and such renegotiation may be initiated up until three years after the war. The surety companies did not want to be in the position of guaranteeing that the contractor under these circumstances would return the profit. The renegotiation might take place several years after the contract had been completed and the contractor by that time might be in straitened circumstances. It was a risk that is manifestly beyond the scope of the usual contract bonds and government authorities have agreed that the surety companies shall not be held liable for return of their profits.

Carolyn Coen of Chicago and Robert W. Ross of the Great Lakes Naval Training Station were married at Illinois Wesleyan University in Bloomington, Ill., the other day. The bride is the daughter of James T. Coen of Olney, Illinois, field man for Home of New York, and Mrs. Coen, and Mr. Ross is the son of Mr. and Mrs. Howard Ross of Shenandoah, Ia.

Vice-president C. C. Hannah of the Firemans Fund is in Chicago this week.

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EDITORIAL COMMENT

War Cover as Testing Block

Although it seems quite evident that the 3½ percent expense allowance that is granted the fiduciary agent for handling war damage insurance will not compensate insurance companies for their actual costs, yet this consideration should not cause any company to slight the work or do it in a hap hazard manner. The companies have agreed to perform a national service of highest importance and we believe that for the good of the business and the good of the country they should perform this task as conscientiously as they conduct operations that are intended to produce a profit. If the expenses can't be held within the 3½ percent allowance without sacrificing service to the buyer and without seeing that the business is issued as closely as possible according to government specifications then a

company, we believe, should decide to take a loss and pay the price of doing the job the way it should be done.

The way in which the insurance business acquits itself in connection with this program may have a vital influence on its standing in the future. Perhaps if it does the job well, it will get no particular recognition from the nation, but on the other hand if the companies should be deficient in their performance, it would give hostile critics an opening of which they could be expected to take the fullest advantage. This program might be regarded as something of a testing block upon which the whole future of the private insurance business will be judged. The companies as a whole have a great opportunity to do a public relations job. It should be fully and intelligently recognized.

Example of Service That Is Needed

Good service requires that an insurance agent inform a customer of all the kinds of insurance he needs. Thus a contractor always needs truck liability as well as contractors' public liability. In *Pickens vs. Maryland Casualty* the insured had a public liability policy, which covered only upon premises owned by or under the control of the insured, or on public ways immediately adjacent thereto. An accident to one

of his trucks occurred more than eight miles away from the operating premises. Inasmuch as the company had only a public liability policy, it refused to defend the claim on the truck accident. The assured made the defense himself, and then sued the company for \$2,000 attorney's fees, and \$160 in other expenses. The Nebraska supreme court in its decision held the insurance company not liable.

Farmer's Liability More Pronounced

Recent decisions indicate an almost universal change in the attitude of courts on the liability of farmers for accidents due to the straying of animals on the public highway. Formerly it was a general rule that the farmer was not liable, because there was no reason to anticipate harm from the animals being allowed to stray. With the coming of the automobile, however, the courts are recognizing that an animal on the highway at night can cause serious injuries, and therefore, as the question comes up again in the respective states the courts appear to be reversing the old rule and holding the farmers liable.

A recent case is *Bender et ux. vs. Welsh et al.* A man driving at night observed by the light of another car that people were trying to give him a warning. He slowed down, but before his car was stopped it struck a horse and his wife was injured. The farmer who owned the horse was held liable for their injuries by the Pennsylvania supreme

court. Of course, to hold anyone liable for injuries his negligence must be shown, but it is rather remarkable how little evidence of negligence was required in this case.

The supreme court said: "Negligence is not to be presumed from the mere happening of an accident. But if the thing which causes the injury is shown to be under the management of the defendant, and the accident is such as in the ordinary course of events would not happen if defendant who has the management uses proper care, the burden is then placed on defendant, not to explain the accident, but to show that he used care. . . . Horses which are properly confined ordinarily do not escape. Hence the presence of an unattended horse on a highway is sufficient evidence to allow the jury to infer negligence on the part of those whose duty it was to restrain him."

The evidence on the subject of negligence was almost amusingly slight. It

was shown that the horse when not working, was ordinarily pastured in a field adjoining the highway. The fence was described, and it was shown that for years the horse had been in the habit of scratching himself on the fence, and had once previously been seen loose on the road being chased by the defendant's employees. One witness testified that about 15 minutes after the accident one of the horizontal bars of the picket

fence was found pushed out, and hoof prints were seen on the ground. "There was no evidence that the nails were rusty or that the fence was otherwise defective or that it was insufficient for the purpose for which it was intended," said the court. The jury gave the husband \$1,759 and the wife \$3,200, but each filed a remittitur of \$500, and the judgments for the reduced amount were affirmed.

PERSONAL SIDE OF THE BUSINESS

Miss Mary E. McBride and Thurston P. Messick were married in St. Louis. The bride has been in the employ of Selby & Acker, Vincennes, Ind., for three years.

Julius O. Melin, an examiner in the Minnesota department, and his wife are in a hospital at Red Wing as the result of a head-on automobile collision. Both were badly injured.

Oscar E. Aleshire, former Chicago local agent, who is now president of the Modern Woodmen of Rock Island, and Mrs. Aleshire have gone to Helena, Mont., to spend two months visiting their married daughter who resides there and incidentally they will get acquainted with their three bouncing grandsons. The Aleshires have rented a furnished home and therefore will be very happily situated during the summer.

Harold Warner, U. S. manager of Royal-Liverpool, who has been confined to the hospital for about three weeks, is reported to be making satisfactory progress. He has been advised to get a complete rest from business and he probably will be away from his desk for several weeks.

Frank L. Ludington, assistant western manager of Atlas, is having a vacation in the east, visiting relatives in Philadelphia and Harrisburg.

Thomas E. Wood, president of the Cincinnati agency bearing his name, is officer of the day for the 115th annual picnic of St. Joseph Orphanage July 4. He is actively assisting in the plans for one of the largest patriotic demonstrations in the history of Cincinnati.

Miss Claire Corroon, daughter of R. A. Corroon, president of Corroon & Reynolds, and Mrs. Corroon, was married at Massapequa Manor, Massapequa, L. I., last Saturday, to Robert McGowan Smith of Brooklyn. The bride attended Sacred Heart Convent and Marymount Academy and College, and Mr. Smith attended St. John's University and Law school.

Don C. Coltrin of Chicago, western sales manager of Uniform Printing & Supply Division of Courier-Citizen Company, Lowell, Mass., is in Hines veterans' hospital near Chicago, convalescing quickly from a double hernia operation. Mr. Coltrin has been well known to insurance men in the middle-west for many years as a salesman of Uniform when it was a company-owned organization.

Carl A. Morhard, state agent in southern Illinois for New York Underwriters, St. Louis, suffered a fractured left leg in an accident at the Illi-

nois Fire Underwriters Association meeting at Delavan, Wis., two weeks ago. It was first thought that the leg was badly sprained, but an X-ray revealed the fracture.

John Rygel, secretary in the western department of Hanover, is back at his desk after having had a vacation at Columbus, O., and Muskogee, Okla.

While sailing from Michigan City, Ind., across Lake Michigan to Chicago the other night, four Chicago insurance men, H. A. McKenna of the Phoenix-London group, W. H. Pate of H. Dalmar & Co., P. W. Smith of Paramount Fire and George F. Laws of North British, found themselves at midnight with the motors on their ship, Chief Blackhawk, stalled. After wallowing around, their signals were finally picked up by a Lake Michigan ore boat which stood by them until they were rescued by the Coast Guard at 5 a. m.

The "Insurance Index" states that one of its over zealous employees gave out the information that Business Manager C. D. Dunne had retired from the journal in order to give his attention entirely to the "Medical Directors Quarterly" in the Starks building, Louisville. The "Index" states that Mr. Dunne is publisher of the "Medical Directors Quarterly" but he continues as business manager of the "Index."

Louis A. Fons, head of Fons & Co., Milwaukee agency, is observing his 50th anniversary in business. He started at 13 as a clerk in the office of Martin Wawrzyniakowski. In 1897 he went with the old Milwaukee Fire and then entered into partnership with Mr. Wawrzyniakowski in 1899 on becoming of legal age. In 1910 the firm was incorporated and ten years later Mr. Fons purchased his partner's interests, taking in his brothers, Frank, Edward, Stephen and John Fons, and adopting the present firm name. Of his four children, Al and Louis are now associated with their father in business.

Clarke Smith, assistant manager of the brokerage and service department at the head office of Royal-Liverpool, attended the meeting of the National Association of Insurance Women and is making business visits in Chicago, Cleveland and Buffalo enroute home.

R. O. Richards, Indiana state agent of Crum & Forster, who was injured in an automobile accident a short time ago, returned to his home from the hospital Sunday and is making a good recovery.

Friends of Harry R. Schroeter, Jr., former fieldman at Seattle for American of Newark, received announcement of

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the arrival of Harry Rudolph Schroeter III. The new arrival's father is a lieutenant in the army stationed at Camp Roberts, Cal. **Harry Schroeter, Sr.**, the baby's grandfather, is a member of the Schroeter & White Agency in Oakland.

Edwin G. Seibels, president of the South Carolina Fire of Columbia and manager of the Cotton Fire & Marine Underwriters of New York, has received the honorary degree of doctor of laws from Newberry College in Columbia.

A. Wilbur Nelson, who was assistant to the general manager of the National Board, conducting public relations work from 1932-1940, has now joined the Institute of Life Insurance and will direct its new "Keep Well Crusade." Lately Mr. Nelson has been insurance editor of the Philadelphia "Evening Public Ledger."

Miss Elizabeth Keller has completed 50 years of continuous insurance agency service in Louisville. She has been with the Avery Insurance Agency since 1902, and prior to that was with the A. H. Robinson agency from 1891. She is being retired on pension and a dinner was given in her honor attended by W. I. Renau, head of the agency, agency employees and field men representing companies in the office. Among those present was R. T. Sweeney, manager of the Caledonian.

DEATHS

J. J. Fitzgerald, for the past 15 years executive head of Grain Dealers National Mutual Fire and president since 1935, died Wednesday after two months' illness. He was past president of the Na-



J. J. FITZGERALD

tional Association of Mutual Insurance Companies, Federation of Mutual Insurance Companies, National Association of Automobile Mutual Insurance Companies, Improved Risk Mutual Company Association and Elevator Fieldmen's Association. At the time of his death he was president of the Mill & Elevator Mutual Insurance Companies, and Hoosier Adjustment Bureau, commissioner American Mutual Alliance, director American Mutual Reinsurance and Mutual Fire Prevention Bureau. He was past most loyal gander of the Indiana Blue Goose, a writer of exceptional ability on insurance topics. He was born in Saginaw, Mich., in 1878. He is survived by his widow, a daughter, and two sons, Francis E., an army engineer, and Lawrence A. of American Mutual Alliance, Chicago. Funeral is to be Friday.

Matthew R. Hayes, Milwaukee local agent, died unexpectedly at the lake home of a friend where he was visiting for the weekend.

Friends of Charles Milliman, Pacific Coast agency superintendent for Pearl Assurance, San Francisco, were notified that his only son, **Richard Milliman**, 25, an ensign in the Navy air corps, was



"I hate to face our insurance man, especially after that low rate he arranged for us!"

killed in the Midway naval battle. Ensign Milliman was killed while attacking the Japanese fleet as pilot of a dive bomber.

E. Brooks Randall, founder and head of E. Brooks Randall & Sons, Los Angeles and the Randall Motor Club, died at his home in Beverly Hills, Cal., after an illness of one month.

B. P. Carter, Jr., son of the prominent general agent at Richmond, Va., and Mrs. Carter, was killed at Caracas, Venezuela, while dive bombing. He was an instructor there in dive bombing. He was 23 years old and graduated from Virginia Military Institute in 1939. He was extremely popular there. When war came he enlisted in the army air corps, giving up a lieutenancy in the artillery. Beginning at the bottom he received his schooling at Tulsa and Goodfellow field, Tex. He rapidly came to the fore and was made cadet captain and also was chairman of the Honor Court. Then he took advance training at Kelly Field, Tex., where he received his wings, remaining there until he was ordered to Venezuela in the capacity of an instructor.

In addition to his mother and father he is survived by brother, James Northam Carter and a sister, Emily Everett. It will not be possible to get the body back for burial in this country until the expiration of the war.

B. P. Carter, Jr., had started to make a record in the insurance business. He was employed by National Fire and got his training there and then entered his father's general agency concentrating on field work in connection with special risks.

Mr. and Mrs. Carter first saw the report of their son's death in a Richmond paper. The young man's initials were given as P. P. rather than B. P., and the parents fought desperately for some hope that it could be someone other than their son but the date line being Caracas, Venezuela, the home Richmond, and the initials so close



B. P. Carter, Jr.

they really had little hope since the mission to Venezuela was composed of only four American pilots. However, Mr. Carter put in a call to his son's hotel at Maracay and received a report that Lieutenant Carter was not available. He then called the adjutant general's office at Washington and Colonel Lewis called back very shortly telling Mr. Carter that it was his son but that the body could not be brought home until after the war.

Since Lieutenant Carter was doing diplomatic work under the good neighbor policy in addition to instructing South American cadets in flying, he was under the direction of the American Embassy in Venezuela and Mr. Carter hoped that an exception could be made and he went to Washington on the following day. Every possibility was investigated but it was found impossible to have the body returned. Lieutenant Carter was buried with full military honors and the funeral was attended by all state officials including the president of Venezuela.

Ben P. Branham, "Uncle Ben" to insurance men of this country for many years, died at the age of 77 at his home in Chicago after a long period of infirmity. For many years he was first vice-president of the "Insurance Field" of Louisville, and second vice-president of the Courier-Journal Job Printing Company there which published the "Field." He was a stockholder in both corporations.

Uncle Ben had maintained his office in the Insurance Exchange at Chicago ever since it was opened 30 years ago. He was in the business for 55 years. He operated the Ben Branham Printing Company, which printed insurance policies and forms and also for many years published the "Automobile Reference Book" which was the standard publication in the automobile insurance business, and the automobile classification manual.

His main publication was "Hotel Bulletin" which he started in 1903. This with his other properties was sold Jan. 1, 1939, when Mr. Branham withdrew from active business life. Since then, however, he had maintained a small office in the Insurance Exchange and in spite of his infirmities and near-blind-

Further Increases in War Sea Rates

NEW YORK—Marine underwriters have increased the cargo war risk rate on voyages to and from Portugal and Spanish Atlantic ports from 7½ percent to 15 but with provision for a refund of 7½ percent if the vessel does not call at West Indies, Central American or Mexican ports enroute to the United States. Another change involved voyages between U. S. Atlantic and Gulf, Canada Atlantic and Newfoundland on the one hand, and the West Indies including Bermuda and Bahamas but excluding French possessions, east coast Mexico, east coast Central America (including Pacific side of Panama Canal Zone) and north coast South America not south of Paramaribo, on which the present 10 percent rate will continue to apply only on direct shipments. The rate will be 15 percent if cargoes are transhipped.

Other recent changes increased the rate to Egyptian Mediterranean ports via Cape of Good Hope from 15 percent to 20, and the rate to Port Said and Suez via Cape from 15 per cent to 17½. The rate to Iceland and Greenland has been raised from 6 percent to 10.

Perry in Ill. Post for Emmco

O. B. Perry has been assigned to the southern Illinois territory as special agent for the Emmco companies. His headquarters are in the Myers building, Springfield. He replaces R. B. Keffer, who is no longer affiliated with the Emmco companies.

Honor Nourse at Luncheon

NEW YORK—Everett W. Nourse, who retired as United States manager of London Assurance July 1, was tendered a testimonial luncheon by the divisional heads and several field men of the company Tuesday. The previous evening as honor guest of the London Employees Association he was presented a set of Shakespeare by the employees and a specially inscribed watch by the field men. Mrs. Nourse also was remembered with an appropriate gift.

ness, followed the habit of years and appeared at his office almost daily.

Uncle Ben also was famous among insurance men countrywide as the originator and concoctor of "Uncle Ben Cocktail" which in years past was very popular at insurance gatherings. He taught a Sunday School class in his church for many years.

R. H. Sherman, 75, for 33 years manager of the central hail department of Home of New York in Oklahoma City, died. He retired six years ago.

Thomas J. Chilcote, 73, partner in the Chilcote & Cochran Agency in Toledo, died after a year's illness. He was in the insurance business for more than 35 years.

John N. Borah, 53, superintendent of the Peoria office of the Illinois Inspection Bureau, died after an illness of several months. Mr. Borah went with the inspection bureau in 1916 and was appointed superintendent at Peoria in 1919. He was formerly head of the Peoria puddle of the Illinois Blue Goose.

James A. Mets, president of the Mets-Bloodgood Corp., of Jersey City, general agents of a number of companies for New Jersey, died at his home in Oradell, N. J. He was born at Pottstown, N. J., in 1874, was educated at Lafayette College and Colgate University. He served as an underwriter and as an executive of the Frelinghuysen companies for about 25 years and when Pavonia Fire of Jersey City was formed in 1928, he became its vice-president and later became president. Pavonia was reinsured in 1939.

William I. Shields, veteran broker of Philadelphia, died there.

Maxwell Stewart, local agent at Sanford, Fla., is dead.

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The NATIONAL UNDERWRITER

July 2, 1942

CASUALTY AND SURETY SECTION

Page Seventeen

Urge Agents to Aid Pilot Training Enrollment

Can Be Big Help to Colleges and Flight Contractors

NEW YORK—Aviation underwriting offices are urging agents and brokers who have handled civilian pilot training program risks to pitch in again and help their local colleges and flight contractors to get the recruits they need for the courses just getting under way and to see to it that no lack of insurance advice or service slows up the program. Mandatory insurance under the program includes personal accident coverage (\$3,000 death and dismemberment and \$1,000 medical reimbursement); sickness insurance (\$500 maximum expense limit); and liability insurance (\$50/100,000 public liability and \$5,000 property damage).

Application forms of personal accident and sickness insurance (combined form) and liability insurance show all the courses for which students are eligible and it is important that the course for which application is being made be checked in such a way as to guard against the possibility of error. Only one application form need be completed but that form must indicate all the courses which will be given. Form No. CAAA-5-642 must be signed by the official of the educational institution which is providing the ground instruction. If the ground course is being given by the flight contractor the latter should sign the application. In either case the applicant is responsible for collection of the premium. For liability insurance form CAA-2-642 must be completed and signed by the flight contractor in the original and third copy forwarded to the underwriters. An enrollment form listing each student enrolled must also be completed.

Enrollment Cards

Enrollment cards (Form CAA-4-642) must be filled out by each student, who must sign on the back of his enrollment card. It is particularly important that the name and address of the beneficiary be included. This applies to the personal accident and sickness coverage. For liability insurance enrollment forms CAA-3-642, having space for 30 names each should be used. Agents need not hold the form until each student has been listed as it is permissible to use more than one form. The forms are to be completed by the flight contractor. A personal accident and sickness insurance certificate outlining the coverage granted will be sent to the agent for delivery to each student enrolled.

Producers are cautioned that each form should be filled out in complete detail and full names of students, contractors, and addresses should appear

(CONTINUED ON PAGE 22)

Accident & Health Sales Ideas Keyed to Day's Needs

Many particularly constructive sales suggestions, all keyed specifically to the needs of the present day, were brought out at the sales congress held in connection with the annual meeting of the National Association of Accident & Health Underwriters in Detroit.

Unique in several respects was the presentation by R. J. Costigan, Business Men's Assurance, Kansas City, of methods of answering objections. Mr. Costigan said this material really was supposed to be presented by a panel of five men, but his associates on that panel were unable to attend the Detroit meeting, so that he had to constitute a "one-man panel." He said he would be assisted by a "stooge," which proved to be a picture of a rather grumpy-looking customer labeled "Elmer." Above his head was stacked a series of cards listing the various objections, which Mr. Costigan removed as he answered them, thus unveiling the next one.

Objections to Interview

The first opposition that must be encountered is the objection to being interviewed, which Mr. Costigan characterized as the hardest of all to meet. However, he said the approach is the biggest part of the sale and a good approach will take of this objection. It must be made at the proper time and the stage must be set for it.

Specific objections—which he characterized as really excuses—that were answered included: "I can't afford it"; "I want to think it over"; "My wife objects"; "I think I'm going into the army"; "The companies won't pay claims"; "You can leave some literature"; "I can provide my own insurance"; "Have a friend or relative in the business"; "Your company is too small"; "I want to pay my present debts first"; "Not interested"; "Have all the insurance I need"; "I'm a busy man."

CALLED BANK ACCOUNT

A bank account in the form of an accident and health policy, written to fit his individual economic position, is the bank account which offers the most in protection for the man or woman who has responsibility to others, George W. Carter, president Detroit Insurance Agency, declared in telling of the place for accident and health insurance in a multiple line agency. Self-sufficiency in that respect doesn't work out, he said. "We should show our prospects that it is a bank, handling his well-being and insuring a continuance of his livelihood."

Must Own It Himself

Mr. Carter is thoroughly sold on accident and health insurance himself. He read a letter that he sends to his personal friends, recommending a particular policy and closing with the clinching statement: "I thought so much of it that I bought one myself." It gets results.

Any man who would be successful in selling accident and health must be suf-

ficiently sold on it to own it himself, Mr. Carter declared. An automobile can't be sold without a demonstration and the same is true of an accident and health policy.

He believes very strongly in emphasis on coverage rather than price. Whether a man is buying \$10 or \$200 a week, all should be treated alike. In



GEORGE W. CARTER

his plea for adequate coverage, however, he said he did not mean to criticize such forms as the proposed civilian war injury policy, which he endorsed highly, or the \$5 automobile policy. He said there used to be a whole page of "don'ts" in a policy. Now they've been cut down and he urged getting rid of them still further.

Prospects in Fire Offices

Mr. Carter said he entered the fire insurance business in 1900 and it took nine years for an accident and health salesman to catch up with him. He suggested employees in fire insurance offices as being especially good prospects. Some people think those employees should know all about all lines of insurance, but they don't.

He laid especial emphasis on service to policyholders. No man should engage in this business unless he continues from the day the policy is written until it expires—not stop when he collects his commission.

Mr. Carter referred to the comeback of the bicycle and suggested the desirability of a special bicycle accident policy.

He closed by repeating the statement he made in discussing the same subject at the meeting of the National Association of Insurance Agents in Kansas City, that accident and health claims in his agency are handled more satisfactorily and with less trouble than those in any other line.

The second day was given over entirely to the sales congress, with Homer

(CONTINUED ON PAGE 24)

A. & H. Men Told How to Meet War Situations

National Association

Names Dyer President—Attendance Below Usual

NEW OFFICERS ELECTED

President—George L. Dyer, Jr., Columbian National Life, St. Louis.
First Vice-president — Homer J. Bisch, National Casualty, Toledo.
Second Vice-president—C. A. Sholl, Globe Casualty, Columbus.
New members of executive board—C. E. Dalrymple, Preferred Accident, Milwaukee, chairman; H. O. Fishback, Northern Life, Seattle; R. B. Smith, Great Northern Life, Oklahoma City; P. E. Ansel, Monarch Life, Baltimore; J. H. Garneau, Hartford Accident, Hartford.

By FRANK A. POST

DETROIT—While wartime activities, the present restrictions on automobile travel and the fear of possible restrictions on railroad transportation held down the attendance at the annual meeting of the National Association of Accident & Health Underwriters, that meeting did much to acquaint those who did attend with the problems facing the business today and the way to meet



G. L. Dyer, Jr.



C. E. Dalrymple

them and general satisfaction was expressed that the lid was not clamped down sufficiently to prevent the holding of this meeting, which was regarded as well worth while by all those who participated in it.

The first day was given over to talks on general conditions in the business, including addresses by the heads of the two major company organizations, the Bureau of Personal Accident & Health Underwriters and the Health & Accident Underwriters Conference, and the second to the sales congress, brought to an appropriate climax by the talk of F. W. Potter, Aetna Casualty, who did just enough clowning to drive home some very valuable sales suggestions, and a very forceful closing message by Clyde E. Dalrymple, Preferred Accident, Milwaukee, retiring president, which might well be regarded as the

keynote of the meeting, although it came at the close.

George L. Dyer, Jr., the new president, is general agent of Columbian National Life in St. Louis, having succeeded his father, George L. Dyer, Sr., on his death last year. He has been active in National and local association work for many years, and was one of the founders and first president of the St. Louis group. All of the vice-presidents were moved up a step, the office of third vice-president being dropped in line with the decision at Los Angeles last year to eliminate one each year until one is left.

Pittsburgh was selected for the next annual meeting on invitation of Ross Roberts, Loyal Protective Life, president of the Pittsburgh association, and it was decided to hold the winter meeting, formerly known as the mid-year meeting, in Chicago, on a minimum basis if necessary. Its invitation was presented by E. H. Ferguson, Occidental Life.

The association voted to waive dues for any members entering the service, to cooperate with the Insurance Economics Society and to incorporate under the laws of Ohio.

Trophy to Kansas City

The Ferguson Trophy, awarded each year to the local association which has made the most outstanding record for the year, went to Kansas City. E. H. Ferguson, Occidental Life, Chicago, made the presentation as chairman of the executive board. He mentioned the record made by Kansas City for increase in membership and urged that there be no let down in membership activities. "Kansas City has shown us how," he said.

He said there might be a feeling that the association which has entertained the mid-year meeting has the inside track for the trophy but that the Kansas City group has been active throughout the year in building a better association.

The trophy, which was being sent from Indianapolis, holder the past year, unfortunately had failed to arrive, but M. F. Houston, Washington National, president of the Kansas City association, accepted it in absentia. He said its principal aim has been to have something at every meeting which will enable each member to make more money when he goes out on the street.

Dyer Has Three-Point Program

Before his election as president, in speaking on "Our National Association," Mr. Dyer suggested a three-point program for the coming year, which may be regarded as the platform of his administration. It includes: (1) Education of the agent and the public; (2) cooperation with the government and all our allies; (3) appreciation of what the other fellow is doing.

He emphasized the educational angle very strongly, urging that every local association conduct a sales course class this fall, that the National association seek to enlist the support of the companies for an institution patterned after the American College of Life Underwriters, to be known as the United States School of Accident & Health Underwriters, and that a book setting out in plain and simple language the story of accident and health insurance be placed in the hands of every school-teacher and in every library in the country.

Tribute to Past Presidents

Under the general heading of cooperation, he urged cooperation with the government, with the home offices, "with ourselves" and with doctors, lawyers and those in general lines of insurance. Under the third point, appreciation of good work well done, he mentioned especially the new leading producers round table, which was formally put into operation at this meeting.

Special tribute was paid to the past presidents of the National association with the presentation by President Dalrymple of certificates of apprecia-

tion to the ex-presidents in attendance, including John P. Collins, Michigan Life, Detroit, first national president; E. H. Mueller, Milwaukee; W. B. Cornett, Loyal Protective Life, Columbus, O., and E. H. Ferguson, Occidental Life, Chicago. Similar certificates will be sent to those former presidents who were unable to attend.

At the breakfast of the regional directors committee, the work of the organization for the past year was reviewed and certificates of appreciation were presented to the regional directors and assistants by President Dalrymple. Certificates also were presented at the general session to the past year's officers, executive board members and committee chairmen.

Mayor Jeffries of Detroit, who is also general counsel of the Maccabees, set something of a precedent by appearing in person to give the address of welcome. He referred to the wide spread of hospital insurance and its especial value in the wartime activities. He expressed confidence that governmental control of medicine and health insurance will not supplant private initiative.

PRESIDENT'S ADDRESS

Strongly decrying any spirit of pessimism in the present national emergency, Mr. Dalrymple in his presidential address declared that our ancestors had wars of many kinds to win; they achieved victory in their day and we shall achieve it in ours.

In taking up the question of how the emergency will affect accident and health insurance, he declared that accident and health men never have had the opportunity that they have today. With prospects and policyholders receiving higher wages through longer hours, the rationing of many so-called luxuries, more workers employed than for many years, the greater public appreciation of accident and health and the greater field of prospects in the tremendous increase of employed women, there should be a capacity volume, "if we will take the lead out of our feet, forget limited hours and tell our message with a sincerity of purpose."

He reviewed the outstanding accomplishments of various associations including the sales congresses in Oklahoma City, Denver, Cincinnati, Pittsburgh and Seattle, educational activities in Cleveland, Indianapolis, and Kansas City. He welcomed the long established Boston association into National association membership and also the new associations in Wichita, Baltimore, Washington, D. C., Madison, Wis., Fox River Valley, Sacramento, Spokane, Dallas, Des Moines, Rochester and Buffalo.

C. A. H. U. Plan Dropped

He said one of the objectives on the agenda for this year, the development of a project for the degree of Certified Accident & Health Underwriter, had to be dropped because of the war emergency. It has been assigned to the past presidents committee for study and development, to be presented in concrete form at the appropriate time.

In referring to the movement for compulsory health insurance he declared that it is necessary to inform the public that only through the recognized private companies can it be hoped to have the peace of mind and prompt service afforded by their contracts.

Dynamic Plea by Hill

In responding to the address of welcome, Mr. Dalrymple referred to the fact that Detroit was the birthplace of the National association and to the notable work of the Detroit contingent through the years. He paid especial tribute to three veteran Detroit accident and health men, W. G. Curtis, president of the National Casualty; V. D. Cliff, president Federal Life & Casualty, and Thomas Hook, retired superintendent of the accident and health department of Standard Accident.

T. Russ Hill, president Martin-Parry Corporation and Rexair, Inc., who was

introduced by George W. Carter, president Detroit Insurance Agency, in his talk at the luncheon gave a dynamic plea for recognition of the importance of salesmanship even in a time of crisis like the present. He brought the crowd to its feet for a spontaneous ovation at the conclusion of his talk. It was characterized by one of the speakers at the afternoon session as an epitome of common sense.

Mr. Hill took vigorous issue with the sentiment expressed by some high on the national councils that salesmanship under present conditions is wasted effort. The present conflict is characterized as one to preserve our present way of life. That way of life, he declared, is based on salesmanship and he urged that all salesmen "must stick in there and pitch."

Fears Collectivism Habit

The second tendency he decried is that toward collectivism. It may be to some extent a necessity at present but he expressed the fear that that necessity may become a habit. The desirability of "pooling everything" is sometimes emphasized. "It's a rosy picture," Mr. Hill said, "but it's cockeyed." He declared that salesmanship first, last and always depends on the individual.

Talk of "realism" also came in for some acid comments. There must be imagination and a look into the future for progress in any line. "When people say things can't be done, I say: 'Give me a chance to tackle it,'" was Mr. Hill's challenge.

Alpaugh Cites Challenge

Accident and health insurance is challenged both by present day conditions and by the threat of governmental action to prove itself capable of doing its job better than it has in the past. W. G. Alpaugh, Inter-Ocean Casualty, declared in his first appearance as president of the Health & Accident Underwriters Conference.

When accident and health, a specialized branch of that institution, is attacked, it will not be long before the institution of insurance itself is threatened. It has been charged with not providing adequate coverage for a sufficient number of people. Mr. Alpaugh, after reviewing conditions as they were a few years ago, said it is now giving fairly complete coverage, which in the future will be even broader. The question is whether it will develop rapidly enough. There is a dual responsibility of companies and agents. The companies must furnish the proper tools and the agents must use them.

Agent Must Revise Routine

There is a great need for public relations work and the agent through his direct contact can best correct or create public sentiment. He must fit the policy to the need and not be satisfied with anything less than full protection. Procedures must be adjusted to changed conditions. The agent must reorganize his routine. Prospecting is an especially difficult problem with so many preferred prospects in service or civilian war work and others, even though they are making more money, so affected by the general uncertainty that they feel it is unwise to contract long-term obligations. A more careful plan and intelligent selling are needed.

Some of the best prospects today are those who were on relief or on a bare margin of subsistence a year or so ago. They are hard to reach and hard to service and to handle that class will mean irregular hours and many other dislocations of the old routine.

Membership Up 49%

A membership increase of 49 percent for the year was reported by W. B. Cornett, Loyal Protective, membership committee chairman of the National Association of Accident & Health Underwriters. Thirteen new local associations were organized during the past year and Mr. Cornett predicted that from 15 to 20 new ones will be added next year and that within five years there will be at least 100 local units. Mr. Cornett recommended that a Na-

State Farm Makes New Appeal in Wisconsin

In view of the fact that State Farm Mutual Automobile has changed its plan of operations in Wisconsin and is charging a straight premium rather than a premium plus membership fee, counsel for that company contended before Circuit Judge Hoppmann of Madison, Wis., that the company is entitled to a Wisconsin license. Commissioner Duel of Wisconsin denied State Farm a license two years ago on the ground that its premium reserve basis did not comply with the Wisconsin law, since there was no reserve put up against the membership fee and State Farm has been operating in the state since that time under a temporary writ. The Wisconsin supreme court upheld Mr. Duel on a demurrer in a previous case and State Farm's present complaint is based on Duel's refusal to a third application. Mr. Duel takes the position that the fact that omitting reserves on membership fees on other than Wisconsin business continues to put State Farm out of step in Wisconsin.

tional Membership Week be set aside each year in which to stage a special drive. Extension of membership to soliciting agents is favored by the chairman, who reported that the Los Angeles, Portland, Ore., and the Twin Cities associations are contemplating such moves.

No Business as Usual

In his closing message, Retiring President Dalrymple said: "We can not expect to do business as usual. The emergency is demanding our all—in behalf of our country. The emergency has added another qualification for all men and women in accident and health. That is our ability to change—and step up our business pace. Past routines and past ways of doing things have done a good job, but we must find ways of striving to do a still greater job. Things which have never been done before in our country are being done every day. We will find ways to do things in accident and health which have never been done before."

DETROIT SIDELIGHTS

The Pacific Coast was represented at the annual meeting of the National Association of Accident & Health Underwriters by E. J. Miller, Massachusetts Bonding, and G. V. Chandler, General Accident, both of San Francisco, and Larry Doyle, Massachusetts Bonding, Los Angeles.

C. E. Waller, president Professional Insurance Corporation, Jacksonville, Fla., headed a party of seven representatives of his company who made the trip to Detroit by plane. The party included: T. D. Bayley, vice-president; Ben W. Lanier, Miami; H. J. Kight, Jacksonville; N. C. Aspinwall, Orlando; G. A. Critchfield, Gainesville, Fla., and E. T. Roper, Jacksonville. They were formally presented to the convention at the Monday afternoon session.

J. H. Garneau, Hartford Accident, Hartford, chairman of the speakers bureau of the National association, gave a personal demonstration of the need for accident insurance by appearing at the Detroit convention with a fractured foot. The foot was in an ambulatory splint so that with the aid of a cane he was able to get around without much inconvenience.

The banquet Tuesday night, which closed the convention, was an especially gala affair, with an unusual program of entertainment. The new national officers were formally installed and W. S. Faber, Detroit Insurance Agency, who was program chairman for the convention, was announced as the new president of the Detroit association. Retiring President Dalrymple was presented a handsomely mounted desk set and Mrs. Dalrymple a huge bouquet of roses.

J. E. Veum, Jr., and P. J. Swift, of the Travelers' casualty department in Minneapolis have entered the army.

U. S. Disability Move to Be Made Soon

Gordon Reviews Prospect for Federal Compulsory Health Insurance Action

DETROIT—Wholly aside from the more than 21,000,000 policyholders, any federal law affecting accident and health insurance will affect one or two or more million people directly and indirectly related to that business, Harold R. Gordon, executive secretary Health & Accident Underwriters Conference, declared in discussing "Federal Legislation—What's Ahead?" at the annual meeting of the National Association of Accident & Health Underwriters. There are thousands of attorneys, physicians, nurses, hospitals and druggists, much of whose income can be traced back to payments to disabled policyholders. They should be particularly interested in any federal legislation or any state legislation that concerns the accident and health business and should be shown how it will effect them.

He said the legislation affecting the business may be roughly divided into three classes: (1) Taxation, (2) legislative changes affecting the conduct or transaction of the business, and (3) social or economic legislation establishing government insurance which would eliminate private insurance. It is the latter classification that is of particular concern at the present time.

Background Is Reviewed

To furnish a background for consideration of possibilities along this line, he reviewed briefly the establishment of compulsory health insurance in foreign countries, efforts to establish such plans in this country, dating back as far as 1917, the report of the committee on cost of medical care and the adoption of the social security act, the original proposals for which included not only cash disability benefits but a complete program of socialized medicine. Bills since have been introduced in Congress to establish such a system but the really significant trend started with the recommendations made early this year by President Roosevelt and the Social Security Board. He also referred to the recently enacted Rhode Island law providing for payment of cash sickness benefits under the unemployment compensation act.

Proposal to Come Up Soon

He expressed a very definite belief that either this year or in the very near future there will be a legislative proposal to enlarge the social security act by providing small benefits for the loss of wages and other expense occasioned by accidents or illnesses. The war and its attendant financial problems undoubtedly have altered the timing for the introduction of this legislation. From remarks made at a recent actuarial meeting by a representative of the Social Security Board, he said that it appears quite likely that if the bill is introduced this year in Congress, it will be confined to a proposal to increase present social security taxes, thus making available possibly \$2,000,000,000 for war expense, but deferring the payment of disability and related benefits for probably five years, or at least for the duration of the war. In other words, a compulsory disability insurance title may be added to the social security act, taxes to be collected now but benefit payments to come later.

Whether such additional taxes will be levied this year may depend on the amount of revenue to be obtained under the general revenue bill as finally enacted. However, aside from the possibility of using compulsory disability insurance as a pretext for the raising of war revenue, he said students of social insurance are unanimous in their belief

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Houston Chairman of A. & H. Leading Producers Group

DETROIT—Organization of the Leading Producers Round Table of the National Association of Accident & Health Underwriters was completed at the association's annual meeting here. Marion F. Houston, Washington National, president of the Kansas City association, was elected chairman; Lynne D. Upham, Preferred Accident, Omaha, with that company 47 years and its oldest representative in point of service, vice-chairman, and Gilbert H. Knight, Federal Life & Casualty, Detroit, secretary.



M. F. Houston

In accepting the chairmanship, Mr. Houston said the qualifications required for membership mean that any qualifier is in the top flight. He cited figures on the percentages in the various income classes to show that they will be among the top four in each 100 and need not hesitate to call on any man in the community.

Dalrymple Presents Certificates.

President Clyde E. Dalrymple of the National association presented certificates to the qualifiers that were present. He also read letters from a number of qualifiers who were unable to attend, expressing their deep interest in the organization. It was notable that several of them gave as their reason for not attending that they had appointments at this particular time in connection with the formation of new associations. There were about 175 who were certified.

George L. Dyer, Jr., Columbian National Life, St. Louis, who had charge of this activity the past year as first vice-president of the National association, opened the meeting of the group and took charge of the election of officers. He said the official designation for a qualifier will be NAA-HU (Nay-Who) from the initials of the National Association of Accident & Health Underwriters. One of the features of National association annual meeting hereafter will be the awarding of this designation.

Mr. Knight in addressing the group emphasized the importance of vision and setting a high mark to shoot at. For the business as a whole, he said the present premium income should be increased 21 times to reach a figure equaling the total annual financial loss from disability to employed people in this country, which is estimated at \$6,750,000,000. "If we don't do this job," he declared, "the government, sooner or later, will."

He advised every man in the business to decide that he can multiply his premiums at least by four. To prove that it can be done, he cited the experience of his own organization. In 1933—just at the time of the bank closings—it started its monthly increase record, which has now reached 111 months. At that time it was collecting \$26,000 in premiums per year. This year it will be more than \$160,000, so that the business has been multiplied six times in nine years. Mr. Knight now has set his horizon at \$1,000,000 annually in premiums. He said that since arriving at the convention he had met two general agency heads who had more than that amount, so he knew it was not impossible of attainment.

Issue Combined Policy

The Massachusetts Bonding and Hanover Fire are issuing a combined golfer's policy covering personal accident insurance to the assured, personal liability insurance, property damage insurance and fire and theft insurance.

Auto Deaths in May Drop 25%

Biggest Drop for Any Month in History—Year's Total Down 11%

The country's traffic toll came down 25 percent in May, the biggest drop for any one month in the nation's history, according to the National Safety Council. Much of the decrease is attributed to the fact that the public is driving less and with greater caution in an increasing effort to save cars, tires and gasoline.

That gasoline rationing in the eastern seaboard states was not an important factor in the reduction is evidenced by the fact that regions where rationing is not in effect showed decreases as great or greater than the eastern states.

The May death toll was 2,290. The total for the first five months was 12,450 or 11 percent below the 13,940 figure for the same period last year.

The May total was the lowest toll for any May since 1933.

Motor vehicle travel in April, the last month for which reasonably complete figures are available, showed a 10 percent drop from April, 1941. Travel for the first four months was 2 percent below that for the same period last year. Thus a 7 percent reduction in deaths for the four-month period resulted in a mileage death rate 5 percent below the rate for the same months last year.

Early reports on petroleum stocks, plus actual gasoline consumption reports from a few states, indicate that May travel was 20 percent or more below the May, 1941, level.

The Bureau of the Census reports that there was a decrease of 18.9 percent in motor vehicle accident fatalities for the week ending June 20, as compared with the same week in 1941. For the first 24 weeks of 1942, there has been a reduction of 7.4 percent from the same period of last year. These totals are based on the records of 148 major cities.

Farm Liability Policy of the Buckeye Union

The Buckeye Union Casualty of Columbus, O., has evolved a farm liability plan including the following coverages:

1. Injuries on the farm premises.
2. Injuries on adjoining highways and roads.
3. Teams on or off the premises.
4. Dogs on and off the premises.
5. Straying animals off the premises.
6. Tractors on and off the premises.
7. Farm equipment on and off the premises.
8. Bicycles on and off the premises.
9. Construction or alteration of buildings.
10. Demolition of buildings on the premises.

The Buckeye Union Casualty reviewed the potential hazards and then arrived at a rate structure which would be simple to figure on the individual risks. A flat premium is provided according to acreage. First, up to 160 acres, second, 160 to 240 and third, 240 to 320. An additional premium is required where the acreage is in more than one location and where there is more than one dwelling involved.

Transport Agency in Exchange

Transport Insurance Agency of Chicago, formerly located in the Board of Trade building, now has its office in the Insurance Exchange. James E. Short is president. This agency, which has full casualty facilities, and a complete long haul truck insurance market, is equipped to serve brokers in Illinois, Indiana, Missouri and Kansas.

Trophy Winner



The Detroit branch of Standard Accident won the annual award for highest efficiency in operations. The trophy was presented to the branch by President Charles C. Bowen.

Left to right: C. L. Miller, manager of the branch; Mr. Bowen, and A. A. Clark, manager of the bonding department of the branch.

20% Cut in Auto Rates in England on Rationing

Due to the fact that the basic gasoline ration is being withdrawn in England July 1, which means that only those private cars may be kept in use which are essential to the business of their owners, the Accident Offices Association, representing about 100 insurers, announced a flat 20 percent reduction in premium rates applying both to existing and new policies. This is the second concession made by insurance companies following the withdrawal of basic ration. The first was a pro rata temporary return of premium in the event of a car being laid up as a result of the new condition.

The "Review" of London observes that the new concession will make a further inroad in the premium income of insurance companies and the prospect of making up for the loss of British income elsewhere in the world will not be as favorable as it was in 1941 when the U. S. premium income went up substantially. The business will consist more and more of commercial and civil defense vehicles.

Asks Bids on State Cars

SALEM, ORE.—The Oregon state board of control has called for bids for furnishing automobile liability and property damage insurance on the state fleet of cars and other vehicles. The line was awarded the American Casualty last year on a bid of \$7,299.

Three companies have entered bids. Phoenix Indemnity bid \$18,711; Portland Insurance Corporation \$19,394 and Massachusetts Bonding \$16,726. The Portland Insurance Corporation represents American Casualty.

Travelers Issues 300th Dividend

The 300th consecutive dividend was paid July 1 to stockholders by Travelers. The quarterly dividend was \$4 a share. The company was organized in 1864, and began paying dividends in 1866. At first these were annual, then semi-annual, but over the greater part of the period they have been quarterly.

On an enclosure sent with each check the company comments that "the primary obligations of an insurance company are full and prompt payments to its policyholders, agents, and employees, and, if the earnings permit, the payment of a dividend to the shareholders on the capital that they have risked in the business." Traditionally the company has sought to keep an equitable balance between the four groups mentioned, so far as conditions permit.

ACCIDENT AND HEALTH

Public Attitude Toward A. & H. Found Favorable

DETROIT—An unexpectedly satisfactory showing as to the public's attitude toward accident and health insurance was revealed by a poll of public opinion conducted by the public relations committee of the National Association of Accident & Health Underwriters, on which Fred M. Walters, General Accident, Philadelphia, reported at the annual meeting here.

Last April the committee wrote to each local association and to each member company, announcing its desire to conduct the poll and enclosing 10 questionnaire forms to be turned over to different members or agents. In turn, each of these would ask 10 persons the selected questions and report the results. It was hoped to get at least a preliminary idea as to the public's reaction to the claim paying record of the accident and health business, whether the public thinks it is providing adequate coverage, and the attitude toward government health insurance. It was realized that the poll would be only an indication of the direction of the wind, but might be helpful in determining whether a large scale poll might be considered in the future. Returns were received from 13 local associations and 26 companies.

Questions Asked the Public

The questions asked the public were:

1. Have you or one of your friends ever had occasion to file a claim under an accident and health policy? If so, was the settlement satisfactory?

The answers indicated: Yes (satisfactory), 74 percent; no (unsatisfactory), 13.7 percent; no experience, 12.3 percent.

2. Is it your opinion that accident and health insurance as now written by the insurance companies provides the coverage needed by you and by the public generally?

The answers were: Yes, 78.4 percent; no, 18.9 percent; no opinion, 2.7 percent.

3. Would you prefer accident and health insurance as now provided by the insurance companies on a voluntary basis, by the government on a compulsory basis, or a combination of the two?

The answers revealed: Present basis, 82.5 percent; government insurance, 8.3 percent; combined basis, 8.1 percent; no opinion, 1.1 percent.

These figures represent contacts with 1,664 persons made by approximately 160 agents and company men. Replies were received from more than half of the 48 states, including all sections of the country—east, middle west, south, southwest and Pacific Coast, and they are regarded as representing a very fair cross section.

The committee intends later to make a further report, including a summary of some of the comments made by agents and members of the public, analyzing the results and commenting on some of the obvious trends and indications.

Launch Buffalo Association

The Buffalo Association of Accident & Health Underwriters was organized at a meeting attended by 15 of the leading accident and health men of the city. The chief promoters of the new organization were Earl Popp, manager of Continental Casualty, and Robert K. Gillen, general agent of Loyal Protective Life. Mr. Popp was elected temporary president and the meeting for final organization will be held in September. Meanwhile there is to be an organized drive for new members.

Richard Gearin, special representative in the accident and health department of Standard Accident, spoke on the need of unity and the importance of having a local accident and health association.

Agree on Tax for Combination Life-A. & H. Units

Agreement has now been reached between the Treasury department and insurance interests on proposed method of taxing companies doing a combined life insurance and accident and health business and the United States branches of Canadian life companies. The tax situation of these companies was not covered under the so called McAndless plan which is to govern the taxation of life companies generally.

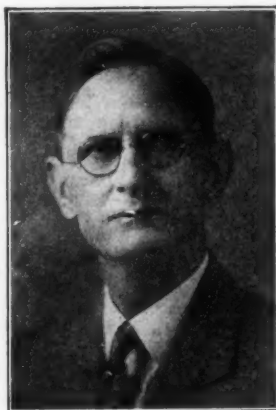
The agreement affecting combination type of insurers was worked out by a committee headed by C. O. Pauley, secretary of Great Northern Life. In addition to the tax that they will pay under the McAndless formula, such companies will have added to their tax base 3¼ percent of their premium and claim reserves on cancellable accident and health business. It is stipulated that the premium reserve to be used in the tax base must be at least 25 percent of the net premiums written.

Under the first proposal of the Treasury department such companies would have been taxed on investment income on life insurance and non-cancellable accident and health under the formula applying to life companies and in addition would have been required to pay a tax on the accident and health business under the casualty company formula.

The companies strenuously objected to being treated for tax purposes as two distinct corporations and emphasized that it would be especially difficult to allocate expenses as between life and accident and health business.

Woodward Resigns From Old Line

Harry A. Woodward has resigned as manager of the accident and health department of Old Line Life of Milwaukee because of ill health. He has been associated with the company for 27 years in that department, for the last 17 years



HARRY A. WOODWARD

as manager. Mr. Woodward will be available for consultation.

He is a native of southern Illinois, where he taught school and sold school supplies in the summer. His success at selling provided a strong incentive to leave the class room, and he went with Illinois Steel Company, later becoming sales representative for the Grant Marble Company of Milwaukee. He is a Spanish-American war veteran.

He first became associated with Old Line in 1915 as an A. & H. salesman, then successively was field superintendent and claim adjuster. In 1925 he was appointed manager of the department, which under his management has about doubled its premium income. Mr. Wood-

ward has been active in the Health & Accident Underwriters Conference, serving on various committees and as an officer.

Civilian War Injury Policy Submitted to Departments

The civilian war injury policy, sponsored by the Health & Accident Underwriters Conference, is now in the hands of the insurance departments, and the management committee headed by C. O. Pauley, Great Northern Life, is hopeful of blanket approval within the next few days. This will mean that agents of all companies which subscribe to the plan will be in a position to offer this coverage to their clients not later than August 1.

At a committee meeting in Detroit Monday, agreement was reached on all questions as to the coverage of the policy itself and the method of distributing the risk through a reinsurance pool, and the committee is in complete accord on other details which might have been considered stumbling blocks several weeks ago.

The general form of the reinsurance agreement was approved, and it is expected that the entire story of the plan will be in the hands of all companies, conference or otherwise, within 10 days. At that time a sample of the policy, the application and the reinsurance treaty will be sent for the inspection of these companies, which will be asked to say "yes" or "no" by a certain deadline date which will be specified. Participation in the risk will be invited on the basis of maximums and minimums, which may have to undergo some adjustments when the companies have expressed their individual and collective desires.

A number of changes, mainly of a minor nature, have been made in the policy itself. The name has been changed to "Civilian War Injury Policy," substituting "injury" for "hazard." In the insuring clause, where reference originally was made to coverage for injuries as the result of defense against attack, it now reads "resisting such an attack."

Sam Goodfriend of Peoria Aetna Life A. & H. Leader

Sam Goodfriend of the Schriver agency of Aetna Life in Peoria, Ill., is first in the United States for that company in amount of accident and health insurance sold in the first six months this year. The total is more than he sold in all of 1941, when he stood seventh nationwide. He was 16th in 1940. His sales territory is Peoria and Morton, Ill.

Mr. Goodfriend, when a prospect says he is not interested in buying any life insurance says he does not want to discuss life insurance but his purpose is to find out if the man has all the dollars he will need if you should be disabled and have to go to a hospital. "You know, if the breadwinner gets down the breadwinner doesn't stop," he says. Then he proposes accident and health insurance.

Propose Sickness Benefits in Ky. Unemployment Act

LOUISVILLE—Sickness benefits to workers under the unemployment compensation setup are favored by Vego Barnes, director of the Kentucky unemployment compensation commission, following the lead of the recently enacted Rhode Island law. Similar legislation may be proposed at the next session of the Kentucky legislature.

Employees' payments of 1 percent of wages into the Kentucky unemployment fund ceased July 1. They now have to their credit about \$10,000,000 that can never be used under normal conditions, as under the Kentucky law the employee's reserve account is never tapped until his employer's reserve account is depleted and even if that should occur, it would be reimbursed from future contributions by the employer.

"If we were allowed to pay weekly benefits to a sick worker, Mr. Barnes said, 'the employee fund could be used

to advantage and there would be some reason to continue collecting employee contributions of 1 percent."

If sick benefit legislation were enacted, the employee's contribution undoubtedly would be restored, with three-fourths allotted to sick benefits and one-fourth to unemployment compensation.

As far back as 1939 the Kentucky commission submitted to the Social Security Board the idea of using employees' contributions for sickness benefits, as well as unemployment pay, but it was turned down on the ground that to pay sickness benefits in Kentucky would disturb the nationwide uniform pattern of unemployment compensation. With the establishment of the plan in Rhode Island, however, it is felt that the situation may have changed in that respect.

Organize in Trenton, Richmond

With the assistance of P. E. Ansel, Monarch Life, president of the Baltimore Association of Accident & Health Underwriters, a new association has been organized in Trenton, N. J., with these officers: President, G. W. Owens, Monarch Life; vice-president, William Shumake, Travelers; secretary-treasurer, Joseph P. Lawton, Massachusetts Bonding, executive committee, Kenneth Stanley, Retail Credit Co., chairman; Don Morrissey, General Accident; and Harold Johnson, Monarch Life.

Mr. Ansel also assisted in the organization of a new association in Richmond, Va., with these officers: President, T. O. Pruett, Monarch Life; vice-president, J. E. N. Newton, London & Lancashire Indemnity; secretary-treasurer, Harry Daniels, North American Accident; assistant secretary-treasurer, E. T. Terrell, Monarch Life; chairman executive committee, Forest A. Richards, Pennsylvania Casualty.

Install New Toledo Officers

TOLEDO, O.—The Toledo Association of Accident & Health Underwriters has installed these new officers: President, Gerald Koehler, Loyal Protective Life; first vice-president, James J. Crockett, Merrill, Dodge & Jackson; second vice-president, Albert F. Taylor, Inter-Ocean Casualty; secretary, H. V. Shirey, Metropolitan Casualty; treasurer, Edwin Metzger, North American Accident; directors, John A. Hill, Aetna Life; George A. Bredehoft, Connecticut General Life, and C. L. Barnes, General Accident.

Gribble to World

LINCOLN, NEB.—B. B. Gribble, actuary for the Nebraska insurance department since 1929, has resigned to join the World of Omaha. Donald R. Hodder, department examiner, will take over most of Mr. Gribble's duties with the title of assistant to Director Fraizer.

Walters at Madison, Wis.

Fred M. Walters, General Accident, Philadelphia, chairman public relations committee of the National Association of Accident & Health Underwriters, addressed the Madison, Wis., association, telling of the work of his committee and the importance of securing the proper public attitude toward accident and health insurance.

O'Connor Made Boston Manager

Jack O'Connor, formerly with the Mutual Benefit Health & Accident in Hawaii, has been transferred to Boston as manager of the office there. He left the islands last February.

The Wichita Health & Accident Underwriters' picnic was postponed until July.

F. B. VonHarten, Hawkins & Lewis Agency, St. Louis, representing United Benefit Life and Guarantee Mutual Life, produced 415 health and accident application the first five months of the year, almost equal to his 1941 total.

"Prompt Paying Preferred"

50 ÷ YEARS *of* SERVICE

"PROMPT PAYING PREFERRED," a phrase coined long ago, is a slogan by which this Company is known widely among Agents, Brokers and Policyholders alike.

Now rounding out 57 years of service, the continuing success of the Preferred is built upon a policy of steady, natural growth. Emphasis on intelligent insurance

underwriting, both in the field and home office, and prompt settlement of claims has assured this growth.

That the course the Preferred has followed met the approval of Producers of the highest type throughout the nation, is evidenced by the fact that the mutually profitable relationships between the Company, its Agents and Brokers are usually of many years' standing.

THE PREFERRED ACCIDENT INSURANCE COMPANY

HOME OFFICE, 80 MAIDEN LANE, NEW YORK, N. Y.

EDWIN B. ACKERMAN, *President*

AUTO ACCIDENT BURGLARY PLATE GLASS LIABILITY

CHANGES IN CASUALTY FIELD

A. B. Cross Fills Roan Vacancy

A. B. Cross has been appointed second vice-president in charge of casualty and surety claims in the eastern department of Commercial Casualty and Metropolitan Casualty to succeed the late Frank J. Roan.

Mr. Cross began his insurance career in the casualty claim department of United States Fidelity & Guaranty at Baltimore in 1916, followed by 16 months service in the war. He continued his employ with the U. S. F. & G. in Baltimore and Texas until 1925, when he went to New York and organized the surety claim department of Metropolitan Casualty. He was appointed secretary of that company in 1928. In 1936 he was appointed secretary and surety claim counsel of Commercial Casualty and has since served in the same capacity with both companies.

C. S. P. Williams Forms New Mich. General Agency

Conrad S. P. Williams, special field representative of General Accident in Michigan, has resigned and has established a new general agency, Employers Underwriters, Inc., 409 Griswold street, Detroit, acting as Michigan general agents of Pacific Employers.

Mr. Williams started in the Michigan insurance department in 1917. Leaving there as actuary and second deputy in 1922, he entered insurance accounting with Lybrand, Ross Bros. & Montgomery, with whom he served three years. After several years in agency work, Mr. Williams became associated with the

Kenneth Watkins Corporation, general agents of General Accident for Michigan. Since the establishment of the Michigan branch of that company in 1937, he has supervised field operations. The new general agency will specialize in compensation insurance.

Former Vt. Commissioner Moves Up with Travelers

Donald A. Hemenway, insurance commissioner of Vermont, from 1937 to 1941, and one of the youngest men in the United States to have held such a position, has been appointed assistant manager of fidelity and surety lines for Travelers at Manchester, N. H.

Mr. Hemenway joined Travelers in May, 1941, as a field assistant, fidelity and surety lines, in the company's Hartford branch. He is a native of Sheldon, Vt., was graduated from the University of Vermont in 1928, and since then has engaged in the insurance business.

Lane Baker has been appointed claims superintendent at Seattle for the Commercial Union-Ocean group, succeeding Sheldon Dunning, who has joined the navy. Mr. Baker was formerly with the Brown General Agency.

J. Parchman Henry, manager National Surety and National Surety Marine for Louisiana, with headquarters at New Orleans, has had southern Mississippi added to his territory. Manager C. J. Hoskinson of Memphis continues to supervise northern Mississippi.

Andrew N. Caldwell, who has been in the home office fidelity bond department of the Massachusetts Bonding for 25 years, has become associated with the Century Indemnity and Standard Surety in the Boston office.

Urge Agents to Aid Pilot Training

(CONTINUED FROM PAGE 17)

exactly as on the contracts and records of the Civil Aeronautics Administration. It is not necessary that enrollment cards or forms accompany their respective applications but it will insure immediate issuance of endorsements if all forms are forwarded together. If this cannot be done the applications alone will constitute evidence of insurance, thereby permitting the flight contractor to begin flight instructions.

Since a short term risk is involved accident and sickness premiums are due and payable on delivery of the accident endorsements. Liability premiums are due 30 days after the beginning of flight training.

Payments must be made when billed, as cancellation will result in the complete cessation of flight training. If a student drops out of a course no return premium is allowed on the accident and sickness coverage but an adjustment of premium is made on the liability risk according to the amount of flying time which had been completed. A brief description of the classes and

the personal accident and sickness and liability premiums for each were given in last week's issue.

Bruce Angus Forms Own Advertising Firm

NEW YORK—Bruce Angus announces the formation of a general advertising agency under his name, with offices in the Graybar Building here. The new agency will represent Accident & Casualty, Excess, Manufacturers' Casualty, Norwich Union, Sun, Talbot Bird & Co., United States Guarantee, William H. McGee & Co.

For several years Mr. Angus has specialized in insurance advertising and built up an organization that is thoroughly familiar with all types of insurance merchandising. In order to improve the quality of the advertising, he has made a study of insurance and last year qualified for, and received, a New York State broker's license.

Formerly Mr. Angus was associated with Harry A. Berk, Inc., and was in complete charge of the insurance accounts handled by that firm.

Before entering the advertising field, he had several years of selling and merchandising experience. Previous to this he did industrial analysis and reorganization work for financial institutions.

COMPANIES

State Automobile Mutual Makes Official Changes

The State Automobile Mutual of Columbus, O., has made some changes in its officers. Arthur Wolf, former president, becomes chairman of the board. R. S. Pein, who has been secretary and manager, becomes president and secretary. John Hager was elected vice-president. R. F. Green was reelected treasurer and Paul Gingham, assistant secretary. G. LeRoy Schnell was elected a new director.

Set Hearing on Mid-Continent

MILWAUKEE—An order directing the Mid-Continent Mutual of Milwaukee to show cause in Milwaukee county circuit court on July 8 why it should not be liquidated has been issued by Judge Braun on petition of the Wisconsin insurance department. John R. Lange of the Wisconsin department was sent here by Commissioner Duell to take possession of the mutual under a state banking statute which provides for such action against companies which appear impaired or insolvent.

Michigan Casualty Converts

Michigan Casualty Association of Detroit, an accident and health company that has been operating as a cooperative assessment association, has been converted to a mutual company under the Michigan law and has taken the title Michigan Casualty Company. It is controlled by L. O. Napier, president of Travelers Casualty of Chicago, an assessment accident and health company. Assets of Michigan Casualty at Dec. 31 were \$100,962 and premium income last year was \$307,809.

Napier moved the company from Bay City to Detroit.

PERSONALS

Robert A. Hogsett, casualty manager of the Travelers, branch at Boston, has completed 35 years service with that company. His associates honored him by presenting golf clubs and flowers. He is past president of Boston Casualty Managers Association and has been casualty manager for Travelers at Boston since 1926. Previously he was Reading Pa., manager. In 1910 he was connected with the underwriting department at the home office, and later was casualty manager at St. Louis, Milwaukee, Albany and Cleveland.

The Boston office employees of the Employers group have received a treasury flag, in recognition of having 90 percent or more employees signed up for purchase of war bonds on the payroll savings plan.

Mrs. Robert J. Hillas, widow of the former long-time president of the Fidelity & Casualty, died at her home in Morristown, N. J. A son is connected with the bonding department of the F. & C. Mr. Hillas died about two years ago.

Robert S. Gaines, 47, special agent for Fidelity & Deposit and for 20 years connected with the Dallas office of that company, died suddenly in San Angelo, Tex., Sunday, while on a business trip. Funeral services were held in Dallas Monday.

Kempf Fox River Valley Speaker

W. A. Kempf, Old Line Life, Milwaukee, former president of the Milwaukee association, addressed the new Fox River Valley Association of Accident & Health Underwriters at Oshkosh, Wis., stressing the importance of educational effort and the importance of the National association in looking after the interests of the business as a whole.



Admitted
Assets
\$5,506,442.81

Policyholders
Surplus
\$1,522,222.43

Burglary
Plate Glass
Automobile
General Liability
Accident and Health
Workmen's Compensation
Fidelity and Surety Bonds

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REINSURANCE OF CASUALTY FIDELITY & SURETY
COMPREHENSIVE • FLEXIBLE • DEPENDABLE

HOME OFFICE
KANSAS CITY
MISSOURI
BRANCH OFFICES
NEW YORK
CHICAGO
SAN FRANCISCO
LOS ANGELES

Lt. Com. Thompson



BRYSON F. THOMPSON

Bryson F. Thompson, president of Thompson & Peck of New Haven, Conn., and president of the National Association of Mutual Insurance Agents and a trustee for the American Institute for Property and Liability Underwriters, has been commissioned as a lieutenant commander in the Coast Guard Reserve.

While he will be actively working for the government, he intends to maintain his interest and connection with his insurance business and association work.

Discuss Mich. Auto Problems

LANSING—Members of the automobile study committee of the Michigan Association of Insurance Agents met here under direction of the chairman, Al I. Dreifus, Detroit. The discussions included the collision business, a source of growing sales resistance due to somewhat higher rates and abandonment, by departmental order, of the "50-50" plan.

Iowa Agent Sentenced

Joseph R. Walling, who has conducted the J. R. Walling agency at Anthon, Ia., was sentenced to 10 years on a forgery charge and issued a bench parole by Judge Newby in district court at Sioux City. It was pointed out that Walling is not connected with the Walling Insurance Agency, also operating at Anthon. Walling was charged with filing false claims and cashing the payments without knowledge of the insured.

Accident & Health Sales Ideas Keyed to Day's Needs

(CONTINUED FROM PAGE 17)

J. Bisch, National Casualty, Toledo, presiding in the morning and C. A. Sholl, president Globe Casualty, Columbus, in the afternoon.

The desirability of accident and health agents taking part in local activities of their communities, "where you can meet people and make friends," was emphasized by S. C. Carroll, vice-president Mutual Benefit Health & Accident, in his talk on "The Agent and His Company." If the agents take a prominent part in such activities, they will be in a better position to combat legislation inimical to the business.

In that connection he took up in some detail the compulsory sickness tax law recently enacted in Rhode Island. That law, tied up with the unemployment sec-

tion of the social security act, requires every employee of an employer who is under the unemployment act to pay 1 percent of his wages up to \$250, for reimbursement for loss of time caused by sickness. Benefits are limited and the amount of assessment is small, and it is being tried out in the smallest state in the Union. All these things start small and it is easier to kill a little thing than a big thing, Mr. Carroll said.

Can't Laugh It Off

This law, Mr. Carroll said, is in harmony with the ideology which penalizes the industrious, the hard-working, the intelligent and the fortunate in order to provide alms for the shiftless, the improvident, the lazy and those who through no fault of their own may be genuinely unfortunate. The benefits it provides for the lowest paid are three times what they could get for the same cost from a private insurer while those paid to the \$60 a week workman are only one-third as much as he could get for the same money from a private insurer.

"You can't laugh this thing off, for if this Rhode Island scheme is honestly and intelligently administered it is going to work; it is going to work so well that it will expand, and when and if it expands sufficiently you and I are either going to work for the state or get into some other kind of business."

Build Confidence in Institution

It is for that reason that it is the duty of every one in the business to enlarge his circle of friends and acquaintances, to do everything that they can to build confidence in the institution of accident and health insurance, not only in his own company but in every other company in that business, to the end that when the showdown comes he can call on these friends and acquaintances for their influence to kill this thing that proposes to put them out of business.

The qualifications listed by Mr. Carroll as needed by the agent who will do his job right comprised a catalogue of nearly all the virtues and some characteristics which might not always be put in that class.

Mr. Carroll said he went through 1,500 applications in his company and found that less than four out of 100 had health and accident insurance of any kind. He said the applications which showed other insurance would be dropped ran about one in 75 and about half of those to drop other policies referred to insurance in hospital associations and mail order or non-admitted companies so that of each 150 applications submitted, only one was what could be fairly called a "twist."

"There shouldn't be any twists," Mr.

Carroll commented, "but we know there are going to be, and when we've got down to 149 virgin sales to one twist, I say we are obeying our code of ethics probably better than we obey the city ordinances."

He said he would like to see the National and local associations become so strong and so well respected that membership is prima facie evidence of qualification for a license or at least that the states will turn over to a board composed of members of agents' associations the duty of examining and passing on the qualifications of those who would enter the business, as is done in other lines where licenses are required. In that connection Mr. Carroll, as he has done in previous addresses, expressed vigorous opposition to the agency qualification laws as administered in many states.

WOMEN AS PROSPECTS

William Rader, Provident Life & Accident, speaking on "Women as Prospects," pointed out the opportunities brought about by the widened employment of women in all lines of work for accident and health men. He was pinch-hitting for E. H. O'Connor of the same company.

He said that by omitting the restrictions on policies for employed women regarding "diseases not common to both sexes," a number of companies have eliminated a former cause of much misunderstanding and dissatisfaction, yet with no evident effects on the loss side of the ledger. He stated that in the case of his own company the greatest increase of any of its commercial forms in recent months was registered on the disability policies for women.

In taking up the recruiting of women as producers and solicitors, he said it is not so difficult as might be imagined to obtain a worthwhile working female force. He suggested that the two main sources of recruits are those who are economically and vocationally disturbed and younger women who are inexperienced in any business and who are still not settled in a career. The same weeding-out process must be applied as with men. It is necessary, he said, to place the woman producer on the same level with men, showing no partiality and making both meet all requirements. His observation has been that the woman producer is making the grade in deriving a good income from her sales efforts, which creates satisfaction and spurs her on to greater production heights.

He also spoke of the advantages of the combination of non-occupational accident and sickness protection, which is,

of course, equally available to men and women. He urged that the combination form be used, providing 24-hour protection. With the occupational hazard excluded, the premium for this combination can be figured to fit any pocketbook. Furthermore, the agent can forget about his classification manual because every worker, irrespective of the hazard of his occupation, takes the same premium, depending, of course, on the limits desired. This combination, issued in one policy, enables the producer to tap the vast and growing market represented by the war industries, as well as civilian pursuits.

SEVEN FUNDAMENTALS

Every agent can substantially increase his commission income by selling accident and health insurance provided he observes a few sales fundamentals, Francis W. Potter, field supervisor of Aetna Casualty, declared.

Mr. Potter outlined these fundamentals as follows:

"1. Learn your policies thoroughly. Get the basic clauses well in mind. Be familiar with the rate and classification section of your manual. Accident insurance, unlike many other lines, is a simple line to learn and a simple line to present to your prospect. You can offer your client exactly the policy he needs, 'custom-made' to his requirements.

"2. Realize that accident insurance must be sold in volume. Because accident insurance is personal insurance, it does not offer the opportunity for large premiums and large commissions like public liability insurance and blanket bonds, but at the same time accident insurance, which is never a 'target' line, gives an agent a sound foundation for his business.

"3. Plan to 'see the people.' Most successful accident producers figure on at least 15 interviews a day.

"4. Get down to business. Time is an agent's greatest asset and if he is to make 15 or more sales presentations a day he must make every minute count. Forget about the war, politics, baseball and rationing when you make a sales call.

"5. Sell the gadgets. A leading automobile salesman recently told me how he closed a tough sale, not by describing the engine and the mechanical advantage of the car he was selling, but by showing his prospects the convenient vanity cases and cigarette lighters at each side of the rear seat. We have some perfect gadgets which go with every accident policy.

"6. Be enthusiastic. If you expect to quote a premium of \$35 talk about

Home Office
Near the Falls of Minnehaha
On the Mississippi River



FINANCIAL STATEMENT AS OF DECEMBER 31, 1941

ASSETS

Stocks and Bonds.....	\$2,345,238.38
Bonds	\$1,693,881.38
Stocks	651,357.00
F. H. A. Mortgages.....	129,661.21
Cash in Banks and Office.....	297,695.08
Premiums in Course of Collection (Not over 90 days).....	357,422.48
Accrued Interest on Bonds.....	15,958.68
TOTAL ADMITTED ASSETS.....	\$3,145,975.83

Securities at Market Values

LIABILITIES

Reserves for:	
Claims	\$1,012,137.02
Unearned Premiums	933,016.25
Commissions	74,901.50
Tax Reserve	85,000.00
Other Liabilities	38,943.21
Other Liabilities	\$2,143,997.98
Contingent Reserve	\$ 151,977.85
Capital	400,000.00
Surplus	450,000.00
Surplus to Policyholders.....	1,001,977.85
TOTAL	\$3,145,975.83

ANCHOR CASUALTY COMPANY

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for

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*with this unusual series of
Accident and Casualty sales helps*

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Take full selling advantage of it. And of every other kind of policy. Especially now. Yes, "These Days... Anything can Happen". But we want it to happen in your favor!

That's why we are creating for your benefit a complete series of hard-selling sales promotion folders—"policy pushers" to help increase your sales on as many different kinds of policies as

possible. For example:

Look at this dramatic storekeeper's insurance folder. It shows why every cash register is a temptation to every crook today. It talks vivid picture-language. Tells why every store needs this seven threat burglary coverage now...

No store, large or small, is immune. Big risk to the big store. Just as big risk to the small, unprotected store. Yet *all* stores can afford this policy, thanks to the unusual seven coverage economy feature—designed particularly for retailers! ... Folder cites other special competitive reasons for buying this policy.



FREE copies
of this pamphlet to
accredited agents
and brokers

May we help you find new business? Particularly on lines you may never have developed before. May we send you one of these cleverly constructed strong selling, business producing folders? Write today—for your copy! Makes the storekeeper prospect think: "How did I ever get along without it?"

Better yet: May we put your name on our mailing list for all our policy promotion literature?

ACCIDENT AND CASUALTY INSURANCE COMPANY

of Winterthur, Switzerland

UNITED STATES HEAD OFFICE • 111 JOHN STREET, NEW YORK CITY

New York City Branch Office • 111 John Street • W. A. STEFF, Manager

your contract in such a way that your prospect expects you to ask at least \$50.

"7. Sell accident insurance all the time."

PART OF PROGRAMMING

The expert life insurance man who rightfully calls himself an estate analyst and financial planner, who lays out an insurance program for his clients, should and usually does sell accident and health insurance, C. T. Kingston, Jr., assistant manager Connecticut General Life, Chicago, asserted.

Mr. Kingston, who has specialized in programming work, said he is one life programmer who has seen accident and health insurance at work, as before entering sales work he handled more than 6,000 accident and health claims in his 4½ years with his company's claim department.

He presented five specific reasons why the life programmer should sell accident and health. In the first place, the man who programs his client's life insurance and helps him plan his estate and his future has not done a complete job until the earning capacity is protected. All of the accumulations of life are pyramided upon it. Take away the earning capacity and all is lost.

Gives Producer Basic Income

For his own basic income the life programmer must be conscious always of accident and health insurance. Through the development over the years of a sizable accident and health account he can have an income which covers his basic and minimum living requirements. He cited the case of a man in his office who has qualified for the Million Dollar Round Table every year since 1935. That man has sufficient income from accident and health business to cover his office overhead, secretarial help and all business expenses.

A real programmer can not complete more than 30 cases a year—the average in his office in Chicago is just 30. Only an unusual man can have so little sales activity and maintain enthusiasm and continue to enjoy his work. Accident and health sales activity is essential to keep the closing technique sharpened and put the fun back into the work. He is bound to have an occasional claim and get a lift from the delivery of a check to a client—he will see insurance at work.

When one is attempting to close only 30 to 50 times a year, he must be relaxed at those critical times. A commission income from an accident and health account which covers those minimum living requirements permits the programmer to relax and not fight for the order.

Accident and health insurance on the whole family are by-products of programming work to which the programmer is entitled if he has done his job well.

Cites Own Company's Results

To show that the life programmer does sell accident and health, Mr. Kingston cited the results in his own company, which he said is decidedly a programming company. Last year \$571,000 in accident and health commissions was paid to its agents, an average of \$70 per month per man.

Another proof is found in the experience of his office with its accident and health schools, which it started in Oc-

tober, 1938, inviting good life producers from such companies as Equitable Society, Connecticut Mutual, Phoenix Mutual, New England Mutual and Massachusetts Mutual, which have no accident and health departments. The result was that in 1941, three years later, 4½ times as much accident and health business was brokered through the Chicago office as in 1938.

"Try that in your home town and let the life agent next door help pay your overhead," Mr. Kingston suggested.

COMPETITION INTERNAL

The most serious competition that the accident and health agent has to meet today is internal—the sort of psychology that permits the salesman to become convinced that there is a limited market for his product today, Frank E. Mueller, superintendent of agents of Continental Casualty, declared.

"It seems to have become distinctly unfashionable for anyone to admit that he is better off this year than he was last year," Mr. Mueller said. "We ran into the same sort of thing during the dark depression years, when a man might be enjoying an extremely nice income but did not want to be set apart from the rest of his associates and con-



Character IS EVERYTHING

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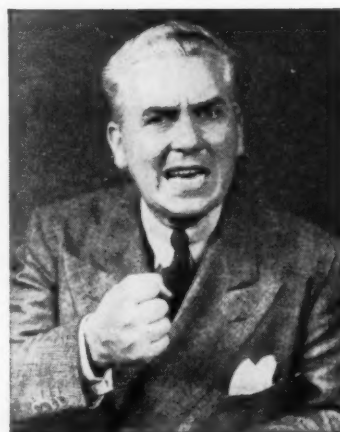
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sequently he professed to be broke.

"The average man we meet today tells us he can't possibly be a prospect for accident and health insurance. Even though his income is increased, taxes are taking everything he has and what little is left is being eaten up by the increased cost of living. That's enough for the average agent—he quits right there."

Best Prospects in Good Shape

Mr. Mueller then took up the figures along this line that are available. He said he recently had occasion to see some charts based on a survey by the War Production Board, showing the average estimated income, expenditure and savings of consumer units for 1942. They showed that a man with an income of \$5,000 or over is still in very fine shape. His taxes are up and the cost of living has increased, but his savings also have increased tremendously. The income bracket from \$3,000 to \$5,000 also was shown in a splendid position, "and in those two brackets," Mr. Mueller said, "are the great bulk of our prospects for the coming months." In the lower income brackets there is definitely not much money available for insurance purposes, even with lower taxes, as the figures showed greatly decreased savings and the cost of living a definite factor.

Mr. Mueller said an agent of his company in the west recently told him that the number of new applicants for safety deposit boxes in one of the banks there had jumped from an average of 15 a month to 78. "Now I don't think all of these new boxes were rented just to hold insurance policies, do you?" Mr. Mueller asked. "Don't let this negative psychology engulf you."

Little External Competition

So far as external competition is concerned, Mr. Mueller thinks there is nothing to worry about. Some salesmen may have felt that agents selling general fire and casualty lines were in a more favorable position because they were covering tangibles, but there is more interest in income protection today than ever before. It is as necessary as any other form to protect a man's valuable possessions acquired through his ability to earn money.

He also referred to the fact that with the probable great decrease in automobile insurance, agents who have been pushing that line are likely to turn more and more to accident and health. Life men also are entering the accident and health field more and more every day and are coming to realize that the two lines go hand in hand.

There also has been a major source of competition in purchases outside the insurance business, particularly installment buying. Now those articles which have been purchased from competitors for the premium dollar in the past are virtually and entirely off the market.

He emphasized the necessity of protecting income of people who have subscribed for war bonds and thus help the public to guarantee the continued purchase and continued maintenance of those bonds.

MANY NOT COVERED

Suggestions for reaching the large element of the population not now covered by accident and health insurance were presented by W. F. White, Royal, Globe and Eagle Indemnity, chairman of the Bureau of Personal Accident & Health Underwriters. He said the business is now doing a splendid job of extending its policies to cover an ever-increasing number of people and a larger number is insured in this country than all others combined, but in spite of this, it is generally stated that only 10 percent

of the economic loss caused by accident and illness is covered by insurance.

The uninsured portion in his opinion, may be divided into three classes: (1) The indigent class who will always feed at the public coffers, come what may; (2) those who are not fully aware of the dangers lying ahead, who need still further education by accident and health insurance salesmen if they are to increase their present small policies to an amount which will afford substantial protection, or have their present policies exchanged for those which will cover all contingencies, and (3) those procrastinating individuals who say, "It can't happen to me, I'm careful but if I ever need it, I'll buy it."

Little to Be Done for Indigent

In taking up the three classes, he said that probably little if anything can be done with the indigent class. They always have been able to secure free medical aid in one form or another and seem to be imbued with the idea that the world owes them a living. Nothing that can be said or done will change that idea. It is fortunate that this class represents a small minority.

The second group, the improperly insured class, offers plenty of opportunity for the aggressive and intelligent salesman, he said.

"This second group of improperly insured people must be properly insured and the job confronting you should not be difficult. They already appreciate the value of protection as evidenced by the limited insurance they now carry."

Must Convince Procrastinators

The third class, the uninsured group, is by far the largest of the three and represents a threat to every accident and health salesman, Mr. White said. Their time is more valuable today than ever before and it certainly is worthy of protecting. If they do not prepare for the future they are due for a shock. The procrastinating individuals in this third group must be made to realize the error of their ways. In that connection, Mr. White cited some very convincing figures from the hospital survey of the American Medical Association in regard to the extent of hospitalization and hospital costs.

No Time for Experimentation

In touching on the social security board's proposal to extend the present act so that practically every civilian could enjoy the advantage of some form of accident and health insurance, he said these socialistic reform measures have no part in the present gigantic struggle to maintain and preserve our democratic way of life. This is no time for experimentation or new activities of government agencies that cause burdens, harassment and diversion of attention from activities in support of war measures.

Appeal to Governor

BOSTON — The Massachusetts Federation of Labor has called upon Governor Saltonstall to investigate the ballot law commission and suggested removal of its members from office, in the latest move of labor on the commission's decision not to allow labor's initiative petition for a monopolistic state fund for workmen's compensation insurance to go on the ballot next fall.

All the members of the present commission were appointed by the governor.

K. L. Taylor, secretary of the labor group, accused the commission of "dereliction of duty" for failure to stipulate in the final decision, its ruling on legal points raised during the public hearings. This, he said, blocked an appeal to the state supreme court.

Hitke & Co. General Agent of Emmco in Chicago

Kurt Hitke & Co., Chicago agency, has been appointed general agent of the Emmco companies in Chicago and Cook County. Kurt Hitke is head of the agency and E. H. Rieke is office manager.



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Government Disability Move to Be Made Soon

(CONTINUED FROM PAGE 19)

that every effort will be made as soon as possible to include disability as well as medical and hospital benefits within the scope of the social security act.

Pepper Bill Cited

As an example, he cited the Pepper bill, now pending in Congress, which originally proposed to indemnify civilians, civilian defense workers, employees of contractors doing government work against personal injury and death occasioned by the war hazard. During its consideration the bill was altered to give the Social Security Board authority to administer the act, thus setting up for the first time a plan of disability insurance under that board for a special hazard.

"There is no doubt," Mr. Gordon continued, "that those advocating further extension of the present social security act have in mind a gradual step-by-step enlargement of the act to bring under its jurisdiction all insurances which pertain to the individual. This would mean eventually that to the existing old age and survivors and unemployment coverage, workmen's compensation, life insurance, and even automobile liability coverage would be added, along with the invalidity, temporary disability, hospitalization and medical care coverages, to make up a complete program of social insurance for the individual. It would be expanded by the inclusion of all workers who do not now come under the act, such as domestics, agricultural and self-employed workers. The cost of these coverages, on a minimum coverage basis, would probably total between 15 and 20 percent of annual wages or personal income."

How Can Public Be Served Best

He said such a program must be considered primarily from the standpoint of whether the public can be best served by such an economic change. He spoke of the progress made in the past 50 years increasing coverages, broadening policy forms, and the resultant coverage of more than 21,000,000 people in this country.

"We frankly admit that we cannot insure under any plan of insurance indigents, or even the wage earner who cannot pay for any type of insurance protection. Nor can anyone else do it, utilizing insurance principles. The loss occasioned by their accidents and illnesses, the medical expense necessary for their well-being will have to be an outright grant of public assistance and no plan of insurance will take care of them. But for those outside of this group, who constitute the large portion of our wage earners, we believe that private insurance offers the best and most efficient means of security."

Denies Doing Poor Job

It has been charged repeatedly that present-day accident and health insurance covers only a negligible portion of the public. Even accident and health executives have declared that the business is doing a terrible job, that the field is scarcely scratched, and that an insignificant portion of wage earners who should have accident and health protection really haven't. "Personally, I don't believe that is the situation," Mr. Gordon said. "I would be the last to declare that we are doing a perfect job but I would be the first to deny the charge that we are doing a poor job."

In discussing the best way of placing these facts before the public effectively, thoroughly and promptly, he reviewed the formation of the Insurance Economics Society of America and the outstanding service it performed for a number of years. It still is in existence, although it has been inactive for some years. It has headquarters in Chicago and soon will have a competent staff doing research work as well as publicizing some of the facts about the business. It has already completed the organization

of committees of both insurance and non-insurance men and women in many states to disseminate this information.

Committees Have Three-Fold Function

He urged those who have been asked to serve on these committees to give all the time possible to that work. Each state committee has a three-fold function: (1) To disseminate facts about the business to the public in its state; (2) to contact and distribute information to state and local organizations of non-insurance origin in its state; (3) to contact and distribute information to insurance organizations, both state and local, in the other fields of insurance—fire, life and other casualty lines.

"The future of federal legislation proposing compulsory disability insurance will depend largely upon the attitude of the public toward us," Mr. Gordon said. "The public must want us to continue the service we have been giving them. This is the task which you and I and all other accident and health men and women must undertake—the creation of

public opinion that will want private insurance instead of a governmental bureau to supply their accident and sickness insurance needs. We have the responsibility of not only letting the public know that we are doing a satisfactory job, but that we are alert, conscious of the demands which changes in our social and economic life are creating, and that we can adjust our business to these changes.

"If we can prove this to the public and so mold public opinion in our favor, there will be no inimical federal legislation ahead."

Aetna Writes Big Dam Bond

LOS ANGELES—Contract for the construction of the Davis Dam and Power House on the Colorado River has been awarded to the Utah Construction Co., by the U. S. Bureau of Reclamation at the bid price of \$18,996,392. The San Francisco branch of Aetna Casualty executed the performance and payment bond.

California Assigned Risk Plan Is Now in Effect

SAN FRANCISCO—Commissioner Caminetti of California has notified all companies writing automobile insurance that the new assigned risk plan becomes effective July 1. Complimenting the companies for the cooperative manner in which the plan was developed to meet a serious condition existing in California since its financial responsibility law was enacted, the commissioner reported that the National Bureau of Casualty & Surety Underwriters has filed its rules and rates for member companies. Other companies, he said, may elect to abide by the bureau manual by written notice to the insurance department or make separate filings.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Minnesota Agents Draft Annual Meeting Plans

ST. PAUL—The annual meeting of the Minnesota Association of Insurance Agents will go ahead as planned and the program is now well shaped up, it was announced at a meeting of the executive committee. The meeting will be at Virginia Aug. 13-15.

Sitting in were President R. W. Forshay of the National Association of Insurance Agents, George Scott of the national educational committee, and Milton W. Mays, director, and Fred Westervelt, Jr., assistant director of B.D.O. Howard Williams, Mankato, state educational chairman, outlined plans for an educational program next fall and winter.

There was some discussion of recommendations the state association should make regarding the agents qualification questionnaire which Commissioner Johnson proposed to draw up. Armand Harris, St. Paul, was instructed to submit these recommendations to the commissioner.

N. V. Keller, Virginia, is publicity chairman.

W. C. Jordan Peoria Head of Inspection Bureau

W. C. Jordan has been appointed superintendent of the Peoria office of the Illinois Inspection Bureau to take the place left vacant by the death of J. N. Borah. Mr. Jordan has been with the inspection bureau at Peoria since 1925. He went into that work after graduating from the University of Illinois. During Mr. Borah's lengthy illness he has been looking after the office.

Extensive Storm Losses in Kansas

WICHITA—Extensive hail and wind losses resulted from widespread storms over large sections of Kansas, requiring the aid of extra adjusters in many sections. Rains of cloudburst proportions made many fields impassable for several days, also resulted in near flood conditions in the Kansas, Arkansas and Cimmaron River Valleys, although damage was confined largely to crops and bridges from this source. Wind damage was widespread in the vicinity of Hutchinson and near Mulvane, 20 miles south of Wichita where four were killed, but individual losses were light. Hail adjusters are still working in many sections of the state and report light to total losses from a series of storms. Hail writings were generally substantially ahead of last year.

Lyle Smith Heads Agents

MONTEVIDEO, MINN.—Lyle Smith, Holloway, was elected president of the West Central Minnesota Agents Regional Association at the annual meeting here. C. E. Gesme, Benson, is vice-president and D. L. Connolly, Danvers, secretary-treasurer. Attending the meeting to install the new officers were President, L. D. Engberg and Secretary Frank Preston of the state association. Among field men present were F. B. St. John, Hartford Accident; Charles Russell, Travelers; Gabe Wiik, America Fore, and State Agent Neuberger, Springfield F. & M.

Iowa Hail Damage Increase

DES MOINES—Hail damage to Iowa crops during 1941 amounted to \$2,649,434, the federal-state crop reporting service announced. The loss was the greatest since the \$2,898,790 damage of 1936, although the 1941 figure is still

considerably under the all-time high of \$7,975,686 set in 1925.

The 1941 toll computed from assessors' reports showed nine counties with no hail damage. Those with more than \$100,000 damage were: Iowa, \$274,190; Cedar, \$202,510; Kossuth, \$176,921; Calhoun, \$140,704, and Monona, \$116,912.

Consolidate Aetna Fire Offices

The Detroit offices of the Aetna Fire group have been consolidated and moved to 626 Dime building there. This brings together the offices of Aetna, World F. & M., Piedmont, Standard, H. M. Mount, Wayne County manager; State Agent G. R. Livingston; C. M. Haynor, marine special agent, and L. H. Stoehr, special agent; and Century Indemnity, Standard Surety, H. E. Hibler and C. B. Kingman, special agents, and E. E. Mueller, manager of the casualty claim department.

Dakin and Martin Speak

CLEVELAND—Speaking before a business meeting of the Insurance Board of Cleveland, Karl D. Dakin, president Ohio Association of Insurance Agents, praised the Cleveland Board's initiative in educating local property owners on the availability of the new war damage insurance. Ray P. Martin, new executive secretary of the Ohio association, also spoke.

Pendergast Appeals Conviction

T. J. Pendergast, former Democratic party leader in Kansas City, Mo., has asked the U. S. Supreme Court to review the contempt of court case which resulted in a two year penitentiary sentence. The federal circuit court of appeals upheld the conviction and sentence.

Study New Rates and Forms

The Hutchinson Association of Insurance Agents held a special evening meeting for all members, solicitors and office employees to study the new war damage insurance regulations and rates and the revised Kansas dwelling forms.

Now McElroy-Minister

The title of the McElroy agency of Columbus, O., has been changed to the McElroy-Minister agency. It is composed of Austin McElroy and Harry T. Minister, both of whom are prominent in the affairs of the Ohio Association of Insurance Agents.

Agents Seek Office

Two more insurance agents have filed as candidates for the Nebraska legislature, Herman Engel, Fremont, and H. E. Bowman, Hastings. Mr. Bowman is at present a member.

Broader Distribution Favored

CENTREVILLE, MICH.—The board of supervisors of St. Joseph county has recommended that there be a breaking up of concentration of county insurance with a few agencies. It was agreed that insurance contracts covering county property will be more widely distributed in the future among the county's agencies.

Johnson Is Manager at Duluth

C. E. Johnson, assistant general adjuster in the Chicago office of Underwriters Adjusting the past three years, has been made manager of the Duluth office.

Blake Williams, manager at Duluth for some years, has been transferred to

the Chicago office to act as a staff adjuster on larger losses.

NEWS BRIEFS

Because the nearby township of Grand Rapids has failed to pay a long standing bill of \$685 for services of the Wisconsin Rapids, Wis. fire department in answering rural alarms, Fire Chief Miller has announced that only rural residents who are listed as carrying fire insurance guaranteeing payment of service to the department will receive help in the event of fire after this.

New officers of the Hutchinson Asso-

ciation of Insurance Women are: President, Nora Schubert, Fontron Mortgage Co.; first vice-president, Helen Wilson, Bailey & Sons; second vice-president, Edith Schrum; secretary, Betty Wilson, McNaghtens; treasurer, Lillian Meade, Will S. Thompson-Kline office.

The Bissell Agency, Inc., Wausau, Wis., has been incorporated by W. H. Bissell, Jr., who has taken over the Robert Helling Agency.

About 30 attended the picnic of the Sioux Falls, S. D. Association of Insurance Women. Arrangements were in charge of Lillian Skola, Fire Underwriters Inspection Bureau.

IN THE SOUTHERN STATES

Alabama Short Course Is Set for July 13-15

The third annual short course school of the Alabama Association of Insurance Agents will be held at Tuscaloosa July 13-15. The indications are that enrollment will equal last year, M. R. McGruder, secretary-manager, announced.

In the first session, greetings will be extended by Dr. J. R. McLure, University of Alabama, and Dean L. J. Thomas. Lectures on four subjects will be given over the four days, each followed by a "true or false" quiz.

Instructors and courses are: R. W. Michael, Atlanta, vice-president Fireman's Fund, fire insurance; J. M. Bugbee, assistant manager automobile department, Maryland Casualty, Baltimore, automobile liability; Manley Stockton, Atlanta, assistant manager Hartford Fire, inland marine; T. A. Thompson, superintendent liability department Hartford Accident, and C. L. Daugherty, attorney of that company, both of Atlanta, general liability.

Arthur Morris, Tuscaloosa agent, and E. H. Moore, Birmingham, president state association, are assisting in making arrangements.

Dallas '42 Record Disturbing

DALLAS—A fire loss of more than \$800,000 already in 1942 as compared with a loss of only \$266,000 for the same period in 1941 has prompted the Fire Prevention Council of Dallas to ask for an increased membership on the council so that more educational work may be done. The present ordinance, passed in 1926, provides for 16 members. The Dallas City Council has passed an ordinance providing more strict regulations concerning smoking in certain buildings.

Hayes Named Acting Manager

NEW ORLEANS—Tom J. Hayes has been appointed acting manager of the Louisiana Rating & Fire Prevention Bureau. Mr. Hayes, formerly assistant manager, takes over the duties of Manager W. S. Bizzell, who has been called to active duty in the army as captain of field artillery. Before leaving last week Capt. Bizzell was given a dinner by the employees who presented him with a portable radio and a robe. On behalf of the New Orleans Insurance Exchange, President Maurice J. Hartson, Jr., presented Capt. Bizzell with a wrist watch.

Want Rate Cuts in Miami

Agitation has cropped up for fire insurance rate reduction in Miami. Attorney Harry Gordon requested the city commissioners to act upon a proposed ordinance that would require companies to file fire and windstorm rates with the city annually by Aug. 15. C. E. McMullen, spokesman for the Greater Miami Apartment House Association,

who is a local agent, advocated state regulation of rates. The commissioners are waiting for a report from City Manager Curry who was requested to consult insurance men and get their side of the question.

Name Texas Chairman

DALLAS—President Willard Brown, Corpus Christi, of the Texas Association of Insurance Agents, has appointed William Greaves, San Antonio, head of the casualty and surety committee which will handle the two one-day casualty meetings held in Dallas and Houston in January.

The conference committee is headed by the immediate past president, Eric C. Gambrell, Dallas, and the rates and forms committee by Richard H. McLarry, Dallas.

Birmingham War Cover "Ad"

BIRMINGHAM—About 50 local agents in Birmingham have joined in a third page advertisement in the newspapers on the war damage situation.

No Convention for Duration

NASHVILLE—At a directors' meeting it was voted not to hold another annual meeting of the Tennessee Association of Mutual Insurance Agents until the war is over. Election of officers, etc., will be left with the board of directors.

NEWS BRIEFS

The Montaldo Agency, New Orleans, has been merged with Martin-Owsley and J. S. Montaldo becomes a vice-president of the latter agency.

The Robert L. Drake Agency of Oklahoma City moved its office to the Insurance building and has taken over management of the building. George Pate has been appointed manager of the insurance department.

Mark A. Bradford, Sr., Nashville local agent, past president and for a time acting secretary of the Tennessee Association of Insurance Agents, has been elected president of the Nashville Shrine Club.

C. Don Choate has purchased the agency of the late J. W. McGalthery in Humboldt, Tenn.

O. J. Van Horn of Cadwallader & Van Horn Agency, second vice-president of the San Antonio, Tex., Kiwanis Club, represented the club at the national meeting in Cleveland.

W. Tray Briscoe of the Kelly Briscoe Agency, Lockhart, Tex., is now associated with the Brown & Root Company, Houston contractors.

H. N. Patterson, Patterson Brothers Agency, Taylor, Tex., fractured a bone in his ankle.

Byron Johnson and B. S. Hall have opened a local agency at Laredo, Tex.

PACIFIC COAST AND MOUNTAIN

Agents Win Big Victory on Mont. State Cover

The organized agents of Montana have now met with success, after 10 years effort to cause the insurance on Montana state properties to be handled on a non-political basis and with the business distributed as evenly as possible. The Montana State Board of Examiners awarded a contract for fire and extended coverage on \$12,585,180 of state-owned properties to the Montana Association of Insurance Agents on a bid of \$59,905. The average rate is .476. Three master policies will be issued, one in behalf of board stock companies, another in behalf of mutuals and the third in behalf of non-board stock companies.

The business will be distributed among the companies in proportion to the premium tax paid in the state. There have been no final arrangements made as to the distribution of commissions but this will be worked out and the agents association will be responsible for developing an equitable plan in this connection.

One of the questions to be settled is whether there should be any distinction in distribution of commissions as between members and non-members of the insurance agents association.

The bid was submitted by C. R. Lowery of Great Falls, chairman of the state and public business committee of the association.

The H. S. Dotson agency of Helena presented a bid which provided for two year extension of the present policy that is issued by Pearl at the present rate of 75 cents. General of Seattle submitted a bid of .476 on \$1,200,000 of property.

The policy of Pearl was issued in 1939 and carried a three year premium of about \$105,000 on an aggregate valuation of \$14,064,544.

Bids were later opened for all of the automobile insurance for the state of Montana. General of Seattle submitted the lowest quotation and its bid was accepted. The bid was submitted through the William R. Davis agency of Great Falls.

It is understood that the master policy in behalf of board companies will be written in Home, the one for nonboard stock companies in Firemen's and the one for mutuals in Northwestern Mutual Fire. The state board of examiners consists of the governor, secretary of state and attorney-general.

The board exempted from the contract 300 buildings on 150 locations, all of high risk rating. These buildings are insured under the Pearl policy now in effect. State liquor stores and contents are not included in either policy.

Oregon Agents Association Acts Against Motor Club

PORTLAND, ORE.—The Oregon Association of Insurance Agents has bulletined its members calling attention to the action of the Oregon State Motor Association in entering the automobile insurance business through its affiliate, the Automobile Association Agency, Portland, which has been appointed agent for Employers Mutual Liability of

Wisconsin. The bulletin points out that the Motor Association had violated the "gentlemen's agreement" of long standing between insurance interests and the association which kept the club out of the insurance business in exchange for the regular insurance channels to refuse to sponsor any other automobile club in Oregon, and also not permit roadside towing service coverage to be made available to the insuring public, leaving this service to be offered by the club.

The Oregon agents association appeals to its members to withdraw any support from the motor association, and further announces the filing of roadside towing and service coverage for inclusion in automobile coverage by members of the Oregon Insurance Rating Bureau.

Frazier and Brock Seattle General Agencies Merge

SEATTLE—Merger of Frazier & Co., and E. Clay Brock, Inc., Seattle general agencies, has been announced by the principals involved, W. Guy Frazier, E. Clay Brock and Roy W. H. Johnson. The merged general agency will be known as Frazier & Co.-E. Clay Brock, Inc. Enlarged offices will be located in the former quarters of Frazier & Co., on the fourth floor of the Hoge building.

All companies of both general agencies are being retained as follows: American Eagle Fire, London & Scottish Assurance; Manhattan Fire & Marine, Pacific Coast Fire, Fireman's Fund Indemnity; Piedmont Fire, Protective Indemnity and the London & Lancashire Indemnity (accident and health department).

Frazier & Co. was formed in 1937. Mr. Frazier had traveled the northwest field for the St. Paul Fire & Marine for 16 years, first out of Spokane and later Seattle. Prior to that he had managed the insurance department of Murphy-Favre Co., in Spokane. He is a past president of the Spokane Fieldmen's Association.

Mr. Johnson, before joining in the formation of Frazier & Co., was for six years connected with the Washington Examining Bureau, the latter three as chief examiner.

E. Clay Brock established his general agency in 1933 and developed a large agency plant throughout Washington. Prior to entering the general agency business, he had many years of general insurance experience.

Insurance Conditions in Mountain Field Favorable

DENVER—Conditions, insurance-wise, are favorable throughout the state. Most agents claim their automobile business is off this year, but other forms of coverage so far show a slight increase. Crop conditions are excellent in all sections of Colorado; there has been ample rainfall, with only a few scattered hailstorms to damage growing crops. The sugar beet crop at the present stage was never better, and with no restrictions as to acreage, the outlook for a big production this year is very good. However, the beet growers and refiners are wondering what they will do with the new crop, since they claim warehouses

are filled to capacity with sugar from last year's crop, due to limited transportation facilities.

Revise Hop Reporting Form

PORTLAND, ORE.—The Washington Surveying & Rating Bureau has removed from its general rules and tariffs the recently announced new provisional reporting form for hops, and has incorporated the rules and rates in the farm tariff, with a number of other changes including a revised hop provisional form, which is clarified with respect to the earned premium consideration under the "premium adjustment clause." Policies are limited to one year term, and drying charges are now added to the basic rates on hop kilns or other buildings where drying is done, including all buildings within 100 feet thereof, and contents. Minimum premium of \$100 is required both on provisional and final earned premium and the charge for drying permit must be included in the deposit premium on locations to which it is applicable.

The amount and premium adjustment clause for use in policies on hops subject to the marketing restrictions of the Agricultural Adjustment Administration has been annulled, as has the circular dated Aug. 26, 1941 on this subject.

Miller Promoted at Spokane

Fred H. Miller has been promoted to branch superintendent of the automobile, casualty and special risk department at Spokane for Fire Companies Adjustment Bureau.

Mr. Miller will succeed E. J. Murphy, who has resigned to accept a commission as lieutenant in the Navy.

The Yakima, Wash., office, under the supervision of Manager R. O. Stotts, has been moved to room 307 in the Larson building.

Gets Interest in Agency

Ray H. Rohwer has acquired an interest in the general agency of B. L. Udell of Phoenix, Ariz., with offices in the Title & Trust building, becoming one of its officials. Mr. Rohwer is a graduate of the University of Iowa and went to Arizona in 1928, being associated with the Arizona Equitable Rating Office in 1933. In 1940, he became associated with the Udell general agency as special agent.

Fieldmen Make It Two Straight

E. M. Leonard, America Fore, won low gross honors with a 79, in the Spokane fieldmen and agents' annual golf tournament at Manito Golf & Country Club. The field men's team won the tournament for the second year in succession. It was the first time in the long history of the tournament that the specials were able to win twice in a row.

Following the tournament, a banquet was held, at which H. T. Anthony presided as toastmaster. J. K. Woolley, manager Washington Surveying & Rating Bureau, spoke.

New Wartime Hours in Seattle

SEATTLE—Insurance offices here are now on a war-time work schedule in compliance with an order handed down by the War Production Transport Commission. Insurance offices now closing before 4:45 p. m. will close one hour later. Those

now closing at 4:45 and later will move to 5:45 and 6 o'clock. Opening hours will move later to correspond. On the basis of the new order, most offices are now opening at 9:45 a. m. and closing at 5:45 p. m.

Take Over Sunset Underwriters

SEATTLE, WASH.—Management of Sunset Underwriters is being taken over by Hansen & Rowland, as general agency.

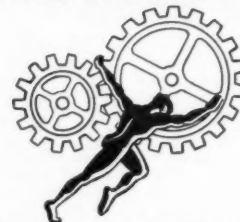
Idaho Convention Aug. 24

Because of war time conditions, the annual meeting of the Idaho Association of Insurance Agents will be a one-day event, Aug. 24. The executive committee will meet the evening of Aug. 23. The outside speakers will be Insurance Director Jennifer of Idaho and R. C. Stevenson, manager of the Idaho Surveying & Rating Bureau, and possibly a representative of the National Association of Insurance Agents.

Wash. Advisory Group to Meet

SEATTLE—The Washington Advisory Committee will hold its fall meeting here Sept. 1-2, it has been announced by Ray Decker, Royal-Liverpool groups, chairman. The committee will meet with representatives of the state agents' association and the Seattle and Spokane

OUR JOB IN '42 ...AS WE SEE IT



Our job is to recompense and alleviate the ravages of fire and all the other principal hazards to which property is exposed. The wheels of industry must keep turning out, without serious interruption, those materials so urgently needed by our nation in its struggle against evil forces attempting to destroy our way of life. Together, with our nationwide agency plant, we acknowledge and accept our increasing responsibilities in 1942.

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Reprint from a series of advertisements appearing regularly in BANKING, CREDIT AND FINANCIAL MANAGEMENT, and THE UNITED STATES INVESTOR.

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**A Progressive Company for Progressive Agents
FIRE and ALLIED LINES - AUTOMOBILE - INLAND MARINE**

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SAN FRANCISCO



fieldmen's organizations to consider fire rates, rules and forms.

License Suspended for Five Days

LOS ANGELES — Commissioner Caminetti of California has suspended the insurance brokers' license of the Meriweather Investment Corporation for a period of five days for violation of the insurance code.

Grossmayer Is Fiduciary

The Phil Grossmayer Company general agency of Portland, Ore., has been appointed fiduciary agent to bind and issue war damage insurance and is advertising the fact in newspapers.

NEWS BRIEFS

The Insurance Women's Association of Portland installed its new officers at the June meeting: President, Margaret Osborn, Campbell, Smith & Co.; vice-president, Violet Delfino, Metzger-Parker Agency; recording secretary, Dorothy Schoch, Fidelity & Deposit; corresponding secretary, Pauline Poulsen;

treasurer, Hazel Strom, Fireman's Fund; and board member, Vivian Whitehead.

The membership in the Insurance Brokers Exchange of San Francisco of Kyoshin Sha has been suspended for the duration. Mr. Sha is now residing in a Japanese evacuee camp "somewhere in California."

Bowles, White & Brink, Seattle agency, has announced the affiliation of Ted Stewart, active in insurance since 1903, as manager of the agency's Boeing service office at Plant No. 1.

The Washington Examining Bureau has moved to new offices at 801 Alaska building, Seattle.

The Anacortes, Wash., agency of the late G. W. Shannon has been purchased by W. G. McCallum.

The W. A. Scherz agency, La Junta, Colo., has purchased the agency there of Eli C. Scaff, who has entered the service.

L. O. Hansen, Fort Collins, Col., has sold his agency to Auld & McKissock to enter defense work on the west coast.

C. M. Harris, Sterling, Colo., has sold his agency to Morrison & Co. of that city.

retirement several years ago, has returned to active duty again.

Michigan to Permit Floater Form on War Materials

LANSING, MICH. — Commissioner Berry has issued a ruling, called "in keeping with Michigan's contribution to the more rapid execution of the war program," permitting the coverage of certain war manufacturing materials with an inland marine floater policy under specified conditions.

"Materials and other personal property belonging to a War Production Association duly certified by the War Production Board and cleared as such by the Attorney-General of the United States, primarily engaged in acting as a management company or agent for manufacturers, are considered the property of such association at all times while in the process of manufacture by sub-contractors, and are not subject to rule II-B of the nationwide definition of the joint committee on interpretation and complaint * * * if the ownership of such property is vested in the association."

Rule II states that "marine and/or transportation policies shall not cover property under the following conditions: B. Merchandise in course of manufacture, the property of and on the premises of the manufacturer."

The Michigan ruling further waives this rule in the case of "property involving war contracts, not owned by the association but for which the association is liable, situated at various locations on the order of the association."

Spinney to Field & Cowles

BOSTON—Field & Cowles, New England marine managers of North America, have appointed Chester R.

Spinney, Jr., marine special agent, in addition to John S. Downey, for the New England field. Mr. Spinney attended Boston University and has seen considerable service with the Employers Liability. He is a son of Chester R. Spinney who has been with Field & Cowles for 40 years.

Expect Pact on Handling Losses of Obscure Cause

The Risk Research Institute held a forum in New York the other day to consider various questions relating to War Damage Corporation and War Shipping Administration insurance. James Christie undertook to answer questions on water borne risks and J. A. Monroe of Royal handled the inquiries concerning land risks.

The report was made that settlement is momentarily expected on the question of determining liability in the case of missing vessels, the cause of whose loss cannot be immediately determined. The report is that there will be a pooling of interests between the regular marine insurance companies and the War Shipping Administration whereunder each would pay 50 percent of the loss with the provision that when the fate of the vessel becomes ultimately known, adjustment would be effected.

There was discussion of what constitutes a "building" under the War Damage Corporation contract. Mr. Monroe said that although final decision had not been given the government insurance does not include the property on which the building is located, hence could not include trees or shrubbery.

The C. M. Bowker Agency of Portland, Me., has purchased the Stevens Agency of Portland, conducted by Whitman E. Smith.

MARINE INSURANCE NEWS

Wartime Extension Replaces "Held Covered" Clause

To provide continuous automatic protection for cargo shippers because of delays, forced discharges, transshipments and other interruptions to delivery resulting from abnormal wartime conditions, the American Institute of Marine Underwriters has issued a set of "wartime extension clauses" which can be added to marine policies upon payment of an additional premium. Under these clauses there will be no time limit on the insurance coverage at the port of discharge while the goods are delayed there in transit to final destination. These clauses apply only to marine insurance and do not in any way extend war risk insurance policies.

"It is believed that these clauses will supply a form of protection which is urgently needed under present abnormal conditions," according to a statement issued by the Institute. "Under the 'held covered' clause which has heretofore governed the rights of the parties in the event of any deviation, abnormal transshipment or other variation of the risk, the assured, in order to have his coverage continued, must report the facts to his underwriters and pay an additional premium based upon the character of the deviation or other variation of the risk. The necessity for such reports casts on the assured the burden of keeping himself informed of all abnormal incidents in connection with his shipments. An even more serious objection to the old type of 'held covered' provision is that assured may have to pay a substantial additional premium he may be unable to collect from his customer.

"Now that the extension clauses are available it is anticipated that the great majority of shippers and importers will take advantage of them, which will mean that they will pay an additional premium, either on all shipments or on individual risks if they so elect, and have the assurance that there can be no danger of any lapse or termination of the insurance due to conditions beyond their control; and that they will not be called upon to make any further payment no matter how long the goods are delayed or how circuitous the route by which they finally reach their destination. Under the new system the assured can fix his prices with the assurance that subsequent events over which he has no control will not involve any additional expense to him for marine insurance premiums."

The rates at which this extended coverage will be granted are subject to change from time to time without notice, depending on conditions and there will be no return of premium even though it be shown that no transshipment or delay occurred. The schedule of minimum additional rates ranges from 1/2 percent to 2 percent, according to terms and voyages involved.

The wartime extension clauses may be endorsed on an open policy and made applicable to all shipments; or they may be obtained on specific shipments provided the assured applies for this extended coverage before shipment.

Lund to Home of New York

Carl A. Lund, formerly insurance department manager for Alexander & Baldwin, Seattle, has joined the marine department of Home of New York, according to announcement by C. E. Cochrane, northwest marine manager. Major J. C. Coart, who for many years managed the department and was succeeded by Mr. Lund upon the former's



On Guard!



MARINE OFFICE OF AMERICA
Offices in Principal Cities

WE ARE DOING OUR PART—AS ONE OF AMERICA'S LEADING INSURERS OF SHIPS AND CARGOES

A WORLD-FAMOUS

Chicago Hotel



Distinguished visitors from every land have, by their patronage, made The Blackstone, in Chicago, one of the World's most famous hotels. Here, the discriminating traveller enjoys an atmosphere of refinement, courtesy, graciousness. Here, beautiful appointments, quiet luxury, perfect service, excellent cuisine, and sparkling entertainment in The Blackstone's brilliant Mayfair Room—all combine to satisfy a notable and discriminating clientele.

A. S. KIRKEBY, Managing Director

The Blackstone

South Michigan Ave.
CHICAGO

CANADIAN

General Motors Presses for Licensing Dealers

TORONTO—General Motors Acceptance Corporation, which is seeking approval of licensing automobile dealers in Ontario as insurance agents, has circularized agents throughout the province, asking their backing in the movement. The circular outlines advantages which the corporation visualizes for agents under the proposed set-up, one point stressed being that many more automobiles, now not insured, will carry insurance. It is further pointed out that an automobile dealer, as a licensed agent, will be on the job when a vehicle is sold, and will be able more or less to handle the insurance on the spot. The circular stresses that only vehicles handled by General Motors would be involved.

Some agents offer no opposition but the majority are strongly opposed. The agents wonder why General Motors wants to enter the agency business, and how far it will go. It is feared this would be but an entering wedge and later the plan would be extended.

Winnipeg Agents Elect

WINNIPEG—D. W. W. Revie, Stock Investment Company, has been elected president of the Insurance Agents Association of Winnipeg. Vice-president is H. G. Tucker of Osler, Hammond & Nanton; second vice-president, R. C. McKibbin of Smith, Fess & Denison; secretary, V. D. Hurst, Western Canada Insurance Underwriters. On the executive committee are William Bruce, Huggard & Co.; C. S. McDonald, Security Land Co.; W. J. Reith, Enderton,

Brydges & Waugh; Eric Severn, C. S. Gunn & Co.; Robert Moulden, Equitable, and Frank Horne, Allan, Killam & McKay.

Rose British Columbia President

VANCOUVER—Jack E. Rose, branch manager in British Columbia and Alberta for London & Lancashire, has been elected president of the British Columbia Underwriters Association. He succeeds Mark Nevill, manager Eagle Star, who found it necessary to resign owing to pressure of business.

Vice-president and chairmen of departments continue the same as last year: Fire, John Anderson, Commercial Union; automobile, A. E. Bibbs, North British; casualty, F. B. Lewis, Canadian Surety.

Shift L. & L. & G. Inspectors

Herbert Cornell, formerly resident inspector of Liverpool & London & Globe at London, Ont., has been moved to the Toronto branch office. He is succeeded at London by Roy Loughead, transferred from Toronto.

Mason & Carter in New Home

BALTIMORE — Mason & Carter, Baltimore agents, opened their new offices at 23 South street. The building has been thoroughly renovated and modernized and presents a most attractive appearance in the heart of the insurance district.

The agency of Bailey & Hoening and their associates are also occupying quarters with Mason & Carter at this new location. The Loyalty group state agency occupies the sub-grade floor.

The Mason & Carter agency was established in 1901 and has had a steady growth. It is an outgrowth of the old Taylor agency which was purchased by J. Dudley Mason some years ago. Shortly after his acquiring the agency

Mr. Mason formed a partnership with Wilmer C. Carter; and since the death of Mr. Mason the agency has been carried on under the leadership of Mr. Carter. Mr. Carter is the state senator from one of the Baltimore districts. From time to time other agencies have been acquired including N. T. Tongue and the Jefferies Brinton Company.

Will Meet in August

The annual meeting of the West Virginia Association of Insurance Agents,

WHAT! My Son...No Shangri-La?



Surely there is a Shangri-La, a mythical and a real one. The mythical Shangri-La is somewhere in Tibet beyond the blue of the "Lost Horizon". The real Shangri-La is . . . according to FDR . . . right in the heart of America. Just look to the assembly line with its skilled workers who contribute so much to the confidence of the men who fly the planes and fire the guns . . . to the men in ships, whether on the seas, in the air, to the cream of America's youth and their instructors who train them to be the finest of fighting men. Look to these and you'll see the real Shangri-La. Keep it real — Keep it alive — Buy more bonds and stamps — invest at least 10% of your salary in the American Shangri-La.

Affiliated NATIONAL HOTELS	
HOTEL ADMIRAL VERNES	Mobile
HOTEL THOMAS JEFFERSON	Birmingham
DISTRICT OF COLUMBIA	
HOTEL WASHINGTON	Washington
ILLINOIS	
HOTEL FAUST	Rockford
LOUISIANA	
JUNG HOTEL	New Orleans
HOTEL DESOTO	New Orleans
MISSISSIPPI	
HOTEL LAMAR	Meridian
NEBRASKA	
HOTEL PAXTON	Omaha
NEW MEXICO	
HOTEL CLOVIS	Chico
OKLAHOMA	
OKLAHOMA BILTMORE	Okla. City
HOTEL ALDRIDGE	Wesley
SOUTH CAROLINA	
HOTEL WADE HAMPTON	Columbia
TEXAS	
HOTEL ALICE	Alice
HOTEL STEPHEN F. AUSTIN	Austin
HOTEL EDWIN	Brownwood
HOTEL SETTLER	Big Spring
HOTEL BROWNWOOD	Brownwood
HOTEL SOUTHERN	Brownwood
HOTEL LAGUNA	Chico
HOTEL CORTEX	El Paso
HOTEL TEXAS	Fair Worth
HOTEL BUCKNER	Galveston
HOTEL CALVEZ	Galveston
HOTEL JEAN LAFITTE	Galveston
CORONADO COURTS	Galveston
JACK TAR COURT	Galveston
WILMAR COURT	Galveston
HOTEL CAVALIER	Galveston
HOTEL PLAZA	Laredo
HOTEL LUBBOCK	Lubbock
HOTEL FALLS	Marlin
HOTEL CACTUS	San Angelo
ANGELES COURTS	San Antonio
VIRGINIA	
MOUNTAIN LAKE HOTEL	Mountain Lake



which it was hoped to hold in July, has been postponed until August. It will likely be held at Greenbrier Hotel, White Sulphur Springs.

HOTEL FONTENELLE OMAHA

6 floors of air-conditioned sleeping rooms

A night's rest in cool comfort will set you up for a busy day. And a tasty meal or refreshment in our air-conditioned Bombay Black Mirror Room, King Cole Room or Amber Room Coffee Shop will leave you in a Victory mood.

DO YOUR BIT BUT KEEP COOL

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An accident
PREVENTED
helps US



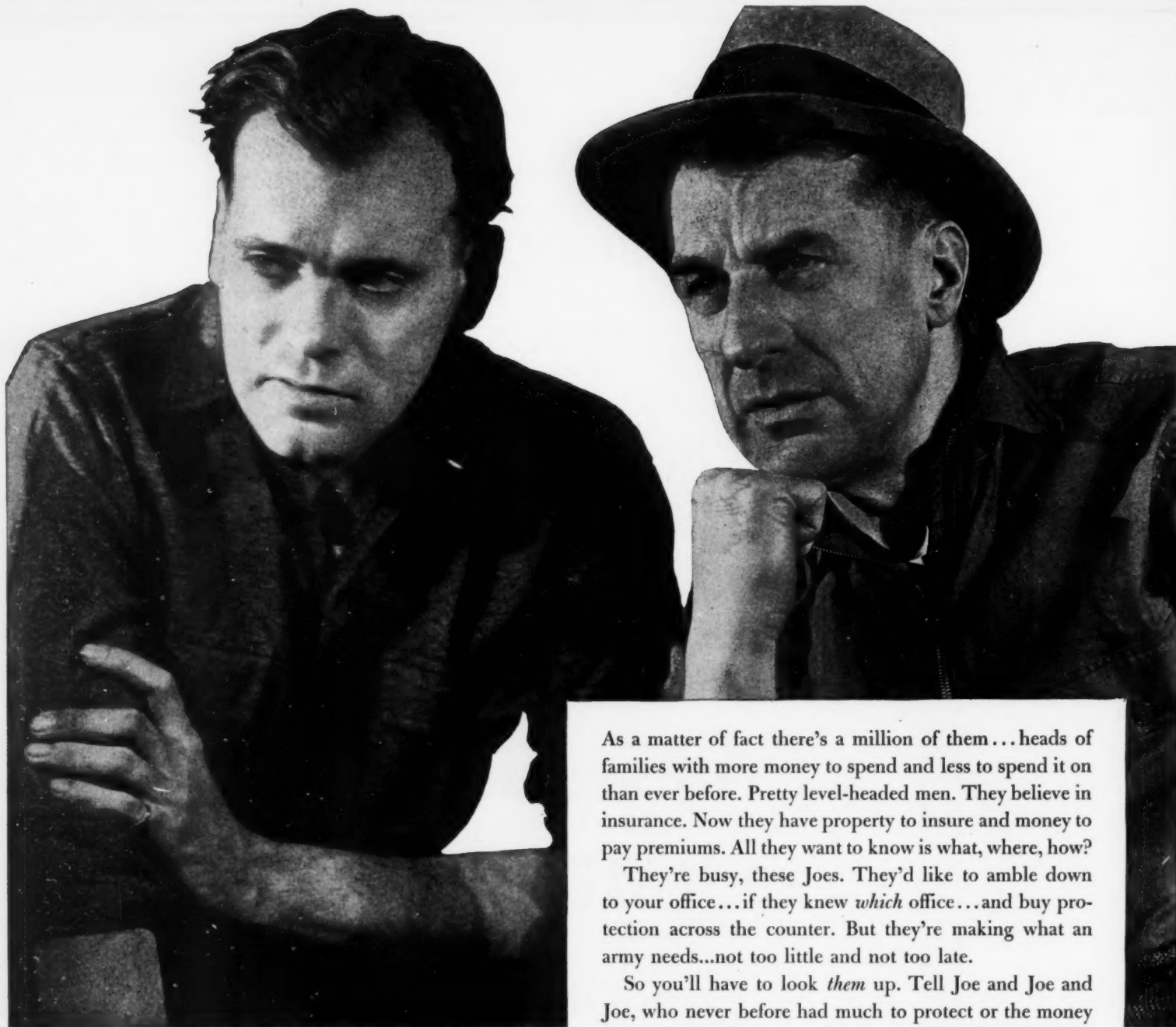
An accident
PERMITTED
helps our foes

★

*This is true in war industries, true on the streets and highways, true in the homes of America. Manpower
and materials lost through accidents cannot be used to gain the victory
for which we all hope so fervently.*

THE TRAVELERS INSURANCE COMPANIES

HARTFORD, CONNECTICUT



Just a couple of guys named Joe

As a matter of fact there's a million of them...heads of families with more money to spend and less to spend it on than ever before. Pretty level-headed men. They believe in insurance. Now they have property to insure and money to pay premiums. All they want to know is what, where, how?

They're busy, these Joes. They'd like to amble down to your office...if they knew *which* office...and buy protection across the counter. But they're making what an army needs...not too little and not too late.

So you'll have to look *them* up. Tell Joe and Joe and Joe, who never before had much to protect or the money to pay for it, that *you're* the agent writing sound capital stock company insurance.

How to tell them? Here's a service promotion plan built to fit just these men. Advertising to tell part of your story before you get there, to save your time, breath, shoe leather, gasoline and tires by making sure that when you do make the calls you'll be welcome.

Send for The National Fire Group's Sales and Agency Service Bulletin Number Five that will help you get business from some of the million guys named Joe who need and want insurance but don't know whom to see.



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Send me, without charge or obligation, a sample of your Bulletin Five.

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